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OFFICIAL REPORT

OF

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SIXTH SESSION—SEVENTEENTH PARLIAMENT

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PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1935

CANADA

House of Commons Debates

OFFICIAL REPORT

Friday, March 29, 1935

The house met at three o'clock.

PATENTS OF INVENTION

Hon. C. H. CAHAN (Secretary of State) moved the first reading of Bill No. 48 (from the Senate) to amend and consolidate the acts relating to patents of invention.

Motion agreed to and bill read the first time.

EASTER ADJOURNMENT

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Yesterday I mentioned to my right hon. friend the acting leader of the government (Sir George Perley) that I would inquire to-day of the government as to the possibility of this house concluding its sittings by Easter, and in the event of it not being able so to do, what the plans of the government might be. I expressed the hope that if anything in the nature of an adjournment were necessary because of not having the business completed, it might be a very brief adjournment and that we might reassemble as soon after Easter as possible.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): It seems to me quite evident that we cannot get through the session before Easter.

Mr. CASGRAIN: Why?

Sir GEORGE PERLEY: If hon. gentlemen will allow me I propose to give the reason.

Mr. CASGRAIN: I would like to know.

Sir GEORGE PERLEY: The report of the mass buying commission has not yet come in, nor do we know exactly when it will come in. We also have a committee that is discussing the housing problem, one of the most important questions in this country, something in which we are all interested. When these reports come in, the mass buying commission report is handed to the Minister of Trade and Commerce and then has to come before council for consideration, and I submit to you, Mr. Speaker, and to the house, that we certainly expect them to make recommendations of importance that will need careful consideration by the government and afterwards by this house, and in order to have time to consider the report and prepare legislation I feel sure that we cannot in an orderly manner get through the business of parliament before Easter.

Mr. MACKENZIE KING: My right hon. friend has answered part of the question; unintentionally no doubt he omitted to answer the other part, that is, whether in the event of having to continue the session after Easter we may expect to have just the customary recess and reassemble as soon as possible thereafter.

Sir GEORGE PERLEY: I am unable to give an answer to the question today, but it will be carefully considered, and I shall speak to my right hon. friend on the subject as soon as possible.

ROYAL CANADIAN MOUNTED POLICE

REPORTED USE OF BLOODHOUNDS TO LOCATE PERSONS LOST IN NOVA SCOTIA FORESTS AND TO TRACK CRIMINALS

On the orders of the day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): In the Montreal Gazette of March 28, I notice a dispatch from Halifax dated March 27, which reads:

Bloodhounds Will Aid Police in N.S. Woods

So many people are getting lost in Nova Scotia's woods that the Royal Canadian Mounted Police are going to bring in bloodhounds to help track them down.

The announcement is made in the annual report of H division of the Royal Canadian Mounted Police, tabled in the legislature to-day, which notes that more persons get lost in the Nova Scotia woods than in other sections of Canada.

Besides helping find them, the report says the bloodhounds will be used to trail escaped criminals.

I would like to ask whether, since we are beginning to prohibit the hunting of deer with dogs, the full cabinet have given their consent to this method of tracking down criminals.

Hon. HUGH GUTHRIE (Minister of Justice): The answer is in the negative.

Mr. WOODSWORTH: Then I ask if the cabinet will consider whether or not they sanction this proceeding on the part of the Royal Canadian Mounted Police. May we hope for an answer within a few days? May we hope for an answer as to whether the government sanctions this proceeding?

Mr. GUTHRIE: It does not.

Mr. WOODSWORTH: It does not. I thank the hon. member.

MERCHANT MARINE ACT

On the orders of the day:

Mr. GEORGES BOUCHARD (Kamouraska) (Translation): Mr. Speaker, may I ask the hon. Minister of Marine (Mr. Duranleau) whether the government has given effect to the Canadian Merchant Marine Act of 1934, according to which captains of ships of more than ten tons must have a certificate and such ships must have an engineer on board?

Hon. ALFRED DURANLEAU (Minister of Marine) (Translation): Mr. Speaker, as I have already stated in the house, the Merchant Marine Act, adopted at the session of 1934, has not yet been promulgated and is therefore not yet in force.

Mr. PIERRE F. CASGRAIN (Charlevoix-Saguenay) (Translation): Mr. Speaker, on the same subject, could the hon. Minister of Marine make a statement or give instructions to the customs officers at seaports in order to remove the fears that exist regarding the putting into force of the act to which the hon. member for Kamouraska (Mr. Bouchard) has just referred?

I myself have received, during the last few days, numerous petitions from all parts of the constituency of Charlevoix-Saguenay. All the seamen are up in arms and are wondering if they will be able to obtain their certificate to go to Quebec, this act having been adopted. As there is some doubt, I should be obliged to the hon. Minister of Marine if he would supply the necessary information in that regard.

Mr. DURANLEAU (Translation): I am surprised that the hon. member has received so many petitions on that subject.

Mr. CASGRAIN (Translation): I can show them to you.

Mr. DURANLEAU (Translation): All the seamen who have addressed inquiries to the Department have received a satisfactory answer, and I am told that at present they are all aware that the act of 1934 is not yet in force.

INTERIM SUPPLY

VOTE OF ONE TWELFTH FOR FISCAL YEAR 1935-36

Hon. E. N. RHODES (Minister of Finance): I would like to ask for unanimous consent to secure interim supply. Unless we do secure it, much inconvenience will be caused to the public service, because we shall have no money available to pay salaries for the month of April. According to the well established practice I asked the leader of the opposition (Mr. Mackenzie King) if we might secure a vote of one-sixth, which was the amount of the first interim supply granted last year. My right hon. friend did not concur in the suggestion that I should ask for one-sixth, but did intimate his willingness to concur in the granting of one-twelfth, plus an additional one-sixth in the case of certain items where the heavier expenses come in the early portion of the year, and those particular items I would be glad to indicate to the house if it so desires.

I might point out that I would have preferred one-sixth for the reason amongst others that we have this year a condition that has not obtained hitherto. Our estimates were set up this year, as the house was advised in the earlier stages of the session, upon the basis of ninety per cent of the normal vote, and the reason was explained at the time. It is proposed early next week to bring in a bill which will have the effect of restoring five per cent of the ten per cent deduction, but in the meantime when we get out one-twelth, that one-twelfth will have to provide not only for one-twelfth of the estimates as they stand to-day but also for the additional money which will be required to pay the additional five per cent in salaries which begins on April 1. As I say, I would have preferred the one-sixth, but inasmuch as we can secure interim supply only by unanimous consent, I have drafted a bill upon the basis of a general vote of one-twelfth plus one-sixth in the case of certain specific items which I shall be pleased to indicate to the house if it so desires.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): My hon. friend, the Minister of Finance has just said that he had asked me if I thought it would be possible to secure unanimous consent to the government being given a measure of interim supply. Being desirous as always to be as helpful as possible, I told him that we might manage one-twelfth, but I doubted very much whether it would be possible to secure unanimous consent with respect to granting one-sixth. My hon. friend saw I think the force of the reason I gave; at any

rate he has acquiesced in it to the extent of having had prepared a bill granting interim supply to the extent of one-twelfth of the total except in the case of a number of items for services which require at this season of the year outlays which are somewhat unusual and for which we are prepared to grant one-sixth.

The Minister of Finance has spoken about a condition existing at the moment which has not obtained hitherto. I might say the same with respect to the situation as it presents itself at this session of parliament; this is the last session of a parliament that is already in its sixth session. As my hon. friend knows, we on this side have been of opinion right along that the country should have an early opportunity of expressing itself on the question of who it wishes to continue to govern this dominion. We had rather hoped that expression would have been given before this, but at the beginning of the session we were told that the voters' lists would not be ready until April 15. In speaking on the address, I said that being the case, we naturally would seek to do all we could by way of furthering such legislation as might be introduced in the interval, but we hoped that just as soon as the lists were available, an appeal to the people might be had. I think that was and is still the correct position to take. There is no doubt that it being known a general election is to take place this year at some time, the uncertainty of the date is having its effect upon conditions throughout the country generally, and we cannot expect a return to a beginning of normal conditions or the revival of industry and trade until the country knows what administration is to be in office the next few years. For that reason we hope the government may find it possible to bring on a general election just as soon as it can. It is clear that the government will wish to carry on at least until the Easter recess, and possibly a day or two after. If a twelfth is given by way of supply at the moment that would be sufficient to carry the administration up to the end of the month of April. In the circumstances there would be no objection, so far as I gather, from the official opposition to giving unanimous consent for the twelfth. But I do hope my hon. friend will not find it necessary to ask for another twelfth later on.

Mr. RHODES: Even if I were in order I would not propose to traverse the ground covered by my right hon. friend respecting the date of the election or the date of the closing of this house, for the very good reason that it has no bearing upon the question of our asking for interim supply. If the house had concluded its session and prorogation had taken place before Easter it would still have been necessary to ask for interim supply. Otherwise there would be no money available from the first day of April to pay for salaries and for other governmental services. I merely wish to make that distinction here to indicate that it has no bearing upon the question of the election or the date of prorogation.

With respect to the last point raised by my right hon. friend I can give no undertaking that we may not have to call again for interim supply. I would indicate to him only that we would have to be moved by the necessities of the case, relying in all instances, as we must in this one, upon unanimous consent before we can secure interim supply at all.

Mr. MACKENZIE KING: May I say to the minister that once prorogation has taken place the government will have the supply bill in its entirety and there will therefore be no necessity to ask for further interim supply. If this house should prorogue before May 1, there would be no need to ask for interim supply at all. That is what I hope may be possible. The question of dissolution is of course a matter for the government itself to decide.

Mr. RHODES: To clear the situation, at least so far as I am concerned, I must take exception to the statement of my right hon. friend. Certainly with prorogation we would assume that supply in its entirety would have been voted. In the meantime however we cannot look in any event for prorogation until after the fifteenth, or in the neighbourhood of the fifteenth, and in the meantime we would have to have interim supply. That is the only point I raise.

Mr. G. W. McPHEE (Yorkton): I thought the Minister of Finance in asking for unanimous consent would have settled the current rumour that there will be a six weeks adjournment at Easter. If that is the intention of the government then I say he will not get unanimous consent to such a proposal. Some hon. members come from western Canada at considerable expense, and if we are going to be held up for six weeks at great expense then we will have to assert the only authority which we have, namely, our rights as members of this house.

Mr. GOTT: What part of the party is the hon. member speaking for?

Mr. RHODES: This is Friday, and in the ordinary course Mr. Speaker would leave the chair without question put. I take it however that he asks unanimous consent for the purpose of considering the resolution. I move that the house resolve itself into committee of supply.

Motion agreed to and the house went into committee, Mr. Morand in the chair.

Mr. RHODES moved:

Resolved that a sum not exceeding $16,058,144.05, being one-twelfth of the amount of each of the several items to be voted as set forth in the main estimates for the fiscal year ending 31st March, 1936, laid before the House of Commons at the present session of parliament, be granted to His Majesty, on account, for the fiscal year ending the 31st March, 1936.

Motion agreed to.

Mr. RHODES moved:

Resolved that a sum not exceeding $3,914,063, being one-sixth of the amount of each of the several following items to be voted, as set forth in the main estimates for the fiscal year ending 31st March, 1936, laid before the House of Commons at the present session of parliament, be granted to His Majesty, on account, for the fiscal year ending 31st March, 1936, namely:

Votes Nos. 35, 36, 37 and 38, Legislation;
Vote No. 44, Experimental farms;
Vote No. 65, Pensions;
Vote No. 155, Geodetic survey (Control operations);
Vote No. 159, Fisheries;
Vote No. 163, Fish culture;
Vote No. 164, Oyster culture;
Vote No. 170, Geological survey;
Vote No. 185, Pay of force (R.C.M.P.);
Vote No. 193, Unemployment relief;
Vote No. 196, Sheltered employment;
Vote No. 226, Miscellaneous unforeseen expenses;
Vote No. 235, Chief Electoral Officer;
Vote No. 236, Dominion Franchise Commissioner;
Vote No. 267, National Revenue (Ports, Investigation, Audit and the Preventive Service, administration of the Income War Tax Act, 1917);
Vote No. 275, Trade and Commerce (Canadian coal);
Vote No. 277, Commercial Intelligence Service;
Vote No. 280, Electricity and Gas Inspection;
Vote No. 288, Weights and Measures.

Motion agreed to.

Mr. RHODES moved:

Resolved, that a sum not exceeding $278,083.33, being one-twelfth of the amount of each of the several items to be voted, as set forth in estimates for the fiscal year ending 31st March, 1936, for Canadian National Steamships and Maritime Freight Rates Act, laid before the House of Commons at the present session of parliament, be granted to His Majesty, on account, for the fiscal year ending 31st March, 1936.

[Mr. Gott.]

Motion agreed to.

Resolutions reported, read the second time, and concurred in.

WAYS AND MEANS

INTERIM SUPPLY

Mr. RHODES moved that the house go into committee of ways and means.

Motion agreed to and the house went into committee, Mr. Morand in the chair.

Mr. RHODES moved:

Resolved, that towards making good the supply granted to His Majesty on account of certain expenses of the public service for the financial year ending 31st March, 1936, the sum of $20,250,290.38 be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolution reported, read the second time, and concurred in. Mr. Rhodes thereupon moved for leave to introduce Bill No. 49, for granting to His Majesty certain sums of money for the public service for the financial year ending the 31st March, 1936.

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

Section 1 agreed to.

On section 2—$16,058,144.05 granted for 1935-36.

Mr. POULIOT: Mr. Chairman, I should just like to point out how our attitude shows the spirit of conciliation that animates the opposition side of the house. Any member of this house could have spoken several times on the resolution preceding the bill, and then again on the different readings of the bill, and several times again when the bill was in committee, but we are dispensing with all that. So I do not see how members on the other side of the house can afterwards complain that they have received no co-operation from this side of the house.

Mr. CASGRAIN: They will never understand that.

Mr. RHODES: Mr. Chairman, it will be apparent in the first instance that unanimous consent was asked, without which we could not proceed. While I am willing to concede to my hon. friend the truth of the statement he has just made, I might point out that so far as I can recall this has been the practice almost from time immemorial.

Mr. POULIOT: But the unanimous consent that was given corroborates what I have just said about cooperation.

Section agreed to.

Sections 3 to 5 inclusive agreed to.

Schedule agreed to.

Preamble agreed to.

Bill reported, read the third time and passed.

THE BUDGET

DEBATE ON THE ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed from Thursday, March 28, consideration of the motion of Hon. E. N. Rhodes (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means, and the proposed amendment of Mr. Ralston, and the amendment to the amendment of Mr. Coote.

Mr. R. K. ANDERSON (Halton): Mr. Speaker, at eleven o'clock last evening I was about to say that the trade agreements negotiated in 1932 have consolidated the empire on a lasting basis of mutual benefit and security. A consolidated British empire is the world's best guarantee for universal peace, without which there can be no well-ordered advance or security. The Prime Minister in negotiating those agreements laid the best foundation that he could for his policy of reform of the capitalist system in this country and he has since then taken progressive steps to bring that about.

In 1933, for instance, a committee was set up of members of this house to investigate the spread between the producer and the consumer in the price of milk. That investigation revealed a deplorable condition in and around the city of Montreal. The middleman had extorted an unusual toll for his services. He had exploited the consumer and cheated the producer of milk.

Another committee was set up to investigate conditions in the tobacco industry. This industry was found to be in a somewhat similar condition. The manager of one of the companies had exacted the highest toll that the trade would bear. Two of these capitalist companies, with their long tenuous Shylock-like fingers, took their pound of flesh without regard to the misery or want of their victims, and it is no wonder that the people of this country are making a demand that the capitalist system should be remedied and its abuses corrected.

In 1934 a further step was taken in the passing of the Natural Products Marketing Act. This act was for the purpose of controlling and stabilizing the marketing of natural products from the land, from the sea and from the forest. That act has been in operation now for about one year, and many industries have taken advantage of it and have found it to their benefit. It could be of great assistance to the farming community, for whose benefit it was designed, if they would take advantage of it. The hon. member for Battle River (Mr. Spencer) mentioned yesterday that it was a good bill but that the farmers in western Canada had been rather dubious about asking for its benefits. Up to the present time it has not been in operation in the province of Ontario, but I believe that at the present moment a board has been set up in this province so that the benefits of the act will shortly be available to the farmers of Ontario.

The Canadian Farm Loan Amendment Act was also passed in 1934 to provide greater facilities for credit for the farmer who needed money to improve his stock or his buildings or his implements, the better to work his land. It is intended that this would make credit easier and that the interest rate on farm loans would be reduced. The Farmers' Creditors Arrangement Act is now in operation in Ontario and other parts of the dominion. It is giving very general satisfaction so far as I am aware, and I speak more particularly for my own district. It brings the benefits of the Bankruptcy Act to the farmer. Official receivers have been appointed to assist the farmers in getting their creditors together in order to make mutual arrangements for the scaling down of mortgages and debts and the arranging for lower interest rates. This legislation has proved quite beneficial in those cases where a farmer is unable to pay his debts. It has given general satisfaction in Ontario. I might mention that the expenses of administration, so far as the debtor is concerned, are borne by the government.

In 1934 the government introduced the Bank of Canada Act which brought into being the Bank of Canada which commenced operations this year. The bank will control currency in the dominion and will facilitate trade throughout the empire as well as with foreign countries. It is to be hoped that under this legislation the different countries of the empire will be able to trade on a parity of exchange. I am quite sure it will prove to be beneficial in bringing about further rapprochement between the various parts of the empire. I hope the

day will soon come when exchange will be stabilized not only throughout the empire but throughout the whole world. When that occurs we will be relieved of the vexatious differences of exchange and the necessity for the payment of discounts and premiums.

This year the government introduced the Unemployment Insurance Act. In my opinion the introduction of such legislation is a little late as it should have been brought forward some ten or fifteen years ago. If that had been done then the legislation would have been on a sound basis to-day. This act received considerable criticism from hon. members in the opposite corner but I contend that it is a step in the right direction and is as far as the government could go at the present time. After it has been in operation for a year or two, any defects which may develop can be remedied. The number of people brought under the act is quite large and represents about as many as the government can look after at the present time.

A royal commission was set up by the government to inquire fully into the methods and practices of big business. The report of this commission will be brought down to the house very shortly and legislation based thereon will be introduced. As the administration of the legislation will devolve largely upon the next government I think it is essential that that government should be in full accord with it For many years the Prime Minister (Mr. Bennett) has been watching the trend of events. He has taken careful note of what happened during the reestablishment period after the war and during the days of frenzied finance when merger after merger was brought into being. Many changes occurred in the period from 1921 to 1930. I contend that the Prime Minister is the logical man to be in charge of the enforcement of the legislation which he has introduced. This question will be soon placed before the highest court in the land, the electorate, and I have no doubt that the verdict will be in favour of the Prime Minister. I have a firm and abiding faith in the good sense of the electorate of this country.

Hon. R. B. HANSON (York-Sunbury): Mr. Speaker, at the outset I desire to congratulate the Minister of Finance (Mr. Rhodes) on the budget speech which he delivered in this house just a week ago to-day. I want to congratulate him with respect to both its contents and its form. We have had four budgets from the hon. gentleman and I think I can safely say that in so far as the budget system under British practice is understood, these budgets have been models which future ministers of finance may follow. This budget was in marked contrast to the Dunning budget of 1930. The hon. member for Shelburne-Yarmouth (Mr. Ralston) has referred to this as a make believe budget, but I submit that if there ever was a make believe budget, it was the Dunning budget of 1930, the budget which the people of this country rejected and threw out of the window. I have studied the public press and other organs which have expressed an opinion on this budget and they have been almost universally favourable in their comments. I think it could be termed a prosperity budget as it definitely signalizes the return to this country of normal conditions and the return of this party at the next elections.

I should like to make a brief reference to the illness of the Prime Minister (Mr. Bennett): We are all delighted to know that his progress has been excellent and that he will be about his apartment in a day or two and back in this chamber before prorogation to resume his duties as leader of the government and the country. In due course he will make his appeal to the people. I do not doubt the bona fides of the right hon. the leader of the opposition (Mr. Mackenzie King) in the expressions of regret and solicitude for the health of the Prime Minister which he made a few days ago in this house, but I should like to refer to the malicious and mendacious statements with reference to the health of the Prime Minister which have been made to certain parts of the public press by parties unfriendly to him. These statements have been calculated to raise a false impression in the minds of the people of this country.

Mr. MACKENZIE KING: I hope my hon. friend is not insinuating that any one on this side is responsible for anything of that kind.

Mr. HANSON (York-Sunbury): I did not so say. My words will speak for themselves. I said that I did not doubt the bona fides of the right hon. gentleman and I made no reference to hon. gentlemen on the other side.

There is one point in connection with his budget speech upon which I should like to congratulate the hon. member for Shelburne-Yarmouth. Considering the length of his utterances I think it can be truly said that it was a marathon. He will soon rival his distinguished leader in this respect. I submit that in the main his criticism was picayune and wholly destructive with but a single exception to which I shall allude in a moment; he did not make a single suggestion which would improve any one condition in this country. And the possible exception was his reference to the establishment of a loan council, which suggestion I should like to observe

is by no means new. In fact, in my humble opinion the best part of his speech consisted of his quotations from the Prime Minister's previous speeches.

Last winter, just before the Christmas season, the hon. gentleman delivered a public address in the city of New York before the life insurance presidents, a very distinguished body of men in the United States, and his subject matter was, "Some obstacles to recovery." When I read the report of that speech, delivered as it was before that distinguished body, showing a great deal of fine preparation and the most laudable sentiments, I must say that my heart warmed to the hon. gentleman, and I think his utterances on that occasion were highly creditable. Among other things which he said before that august and distinguished assembly was this:

> I don't intend to make you green with envy by going into particulars to-day to show you what a great country Canada is. I shall content myself and relieve your feelings by saying at once that I have read the speeches which have been made to you—

That is, to the same body.

> —by the Hon. Mr. Taschereau, Prime Minister of Quebec, the Hon. Mr. Lapointe and the Hon. Mr. Guthrie, both ministers of justice at different times, and the Hon. Mr. Rhodes, Minister of Finance. I have read every word they have said about Canada and I here and now declare to you that I admit it all, even though I seldom agree with anything which two of these four gentlemen ever say in the House of Commons.

On that occasion the hon. gentleman was speaking as a Canadian patriot; on this occasion he was speaking as the official critic of the opposition. And when one understands the setting of the different situation, one can easily understand that he was just performing what is considered a partisan duty in this country and not speaking in the same sense that he was when he was addressing the life insurance presidents' association in the city of New York.

Instead of being a make believe budget, I suggest, sir, that on the contrary the budget is full of material calculated to give to the people of this country a true picture not only of the country's financial standing but also of its trade and outlook for the future. In passing, may I just say one word with respect to the amendment of the official opposition. It is purely negative, a vote of want of confidence in the administration; and of course it cannot be accepted. Let me say at once to my hon. friend and to the house that the business of this house will be concluded in an orderly and regular manner, that the program of the government will be fully and finally implemented by legislation and that the election will come in due course; and when it does come hon. gentlemen opposite will know that there has been a real election.

With respect to the amendment of the third party in this house, I have only this to say, that to me it means one thing and one thing only, unlimited inflation, a policy which this country is not likely ever to adopt.

The first attack on the government by the hon. member for Shelburne-Yarmouth was with respect to its tariff and trade policies. Before making any examination into the subject matter of the attack, may I crave your indulgence for a moment while I pause to examine the position of Canada in 1930 when this government came into office. Among other things, the following outstanding conditions prevailed: 1. We had a huge adverse balance of trade. 2. We had a steadily declining volume of trade, both export and import, which had begun fully twelve months before. 3. We had declining revenues. 4. Even then we had unemployment on a scale theretofore unknown in Canada. 5. We had made huge foreign commitments, both federal and Canadian National, which had to be met in terms of the currency of the creditor country. 6. We had an unbalanced budget. It will be recalled in that connection that in the Dunning budget of 1930, absolutely no forecast was made as to the revenues for the then succeeding year. It was strangely silent in that respect, a matter that has called for comment on many occasions. And why was it silent? Because the government of the day then knew that although they were budgeting for a huge expenditure over and above what was warranted, they did not take this country into their confidence sufficiently to tell the people what the true picture was. We were also confronted, in the estimates of 1930, with huge commitments for public works and capital expenditures made just previous to the election in the face of declining revenues and of an unbalanced budget. And last, and by no means least, this government was confronted with a huge deficit to take care of the Canadian National Railways.

These were only a few of the problems that confronted the incoming administration, and the government tackled the situation man fashion. We called a special session of the House of Commons in the autumn of 1930 and put through two major pieces of legislation; first, provision was made for unemployment relief, and secondly, we made tariff adjustments for the purpose of protecting Can-

adian industry and Canadian workmen and to correct the adverse balance of trade. The tariff adjustments of the autumn session of 1930 were not made for the mere purpose of vindicating the principle of protection, but they had in view a certain definite purpose or group of purposes. These purposes were definitely fulfilled, and for the first time in years Canadian industry, which for years had been suffering from a policy of attrition at the hands of hon. gentlemen opposite, was given an even chance with foreign competitors in our own markets.

We are charged with adopting trade policies which have lost to this country markets for our exportable surplus. That has been repeated so often that hon. gentlemen opposite actually, I think, believe it. But I suggest to you, sir, and to this house that that charge was definitely disposed of during the budget speech of 1934 by my predecessor, the hon. member for East Kootenay (Mr. Stevens). The charge is not only untrue but is a deliberate misstatement of fact calculated to mislead and deceive the Canadian people. I make this statement on the record, that from December, 1921, when the Liberal party came into power until August, 1930, when they resigned office, the markets of all countries importing our surplus products except the United Kingdom were either definitely closed to us or their tariffs were raised so high that our export trade with many of those countries almost vanished. I have here the record. Take the United States tariff. It will be recalled that the Fordney-McCumber tariff came into effect on September 21, 1922, and that the Hawley-Smoot tariff came into effect on June 17, 1930. In a list of some twenty or thirty articles, primary products of this country, of most of which we have an exportable surplus, there was a definite upward revision against us at the hands of that country with which theretofore we had been trading. With respect to wheat there was a tariff of 30 cents a bushel; after April 6, 1934, it was raised to 42 cents a bushel under the Hawley-Smoot tariff, ten per cent ad valorem if unfit for human consumption. With respect to wheat flour the rate was 78 cents per hundred pounds under the 1922 tariff, and under the tariff of 1930, $1.04 per hundred pounds. The rate on potatoes, 50 cents per hundred pounds was raised to 75 cents. Prior to 1922 the rate had been 25 cents per bushel or 42 cents per hundred pounds. Or take cattle, 30 per cent ad valorem, raised to 1½ and 2 cents per pound and under the 1930 tariff to 2½ and 3 cents per pound.

I could go through a long list of primary products such as these, taken from the record, which establishes clearly that as far as the United States is concerned tariffs were definitely raised against this country while hon. gentlemen opposite were in power, which rendered attempts to trade with that country almost ineffective. With the consent of the house I propose to put this statement on Hansard.

Mr. MACKENZIE KING: Why not put the whole speech on?

Mr. POULIOT: No, sir, I object. Let the hon. gentleman proceed. I do not wish to be discourteous—

Mr. HANSON (York-Sunbury): If objection is taken I will read it over hurriedly.

With respect to cream, which had been 5 cents a gallon, in 1922 it was raised to 20 cents and under the tariff of 1930 to 56·6 cents per gallon. Butter, raised from 6 cents to 8 cents per pound and in 1930 to 14 cents. Cheese, from 23 per cent ad valorem to 5 cents per pound but not less than 25 per cent ad valorem, and then up to 7 cents per pound but not less than 35 per cent ad valorem.

With respect to France, we all remember the inefficiency of the French treaty entered into by hon. gentlemen opposite in 1922-23, when after lowering tariffs in this country as against French products they went to Paris and negotiated a tariff with their hands tied behind them, and succeeded in getting what? In getting the French minimum tariff without any guarantee as to what that should ever be. What were the tariff increases against this country by France with respect to wheat? From 11 cents a bushel in 1924 to 85 cents a bushel in May, 1930. Wheat flour increased from 24-34 cents a hundredweight in 1924, to $2.28-$3.29 per hundredweight in 1930; oats from 4 cents a bushel to 18 cents a bushel; barley from 3 cents to 18 cents a bushel; boxed apples from 5 cents to 27 cents per hundredweight; crude zinc, free in 1921, to 25 cents per hundredweight in 1928; agricultural implements from 48 cents-$1.14 per hundredweight in 1926, to $1.07-$1.43 per hundredweight in 1927.

The same statement is true with respect to the tariffs of Germany, Italy, Belgium and Finland. If time permitted I could place on Hansard specific articles, which would show that the time hon. gentlemen opposite were in power was the time that Canada lost her markets for her exportable surplus, and that it was not due to any action of this government. During the nine years hon. gentlemen

opposite were in power this country paid for American purchases no less than three billion dollars in excess of what they purchased from us. How this little country ever maintained its solvency in face of that adverse trade condition is almost beyond our comprehension.

I want to say this further with respect to United States tariff increases: Canadian wheat had been entering the United States duty free on a reciprocal basis during the Wilson administration, up to May 27, 1921. On that date the United States imposed a duty of 35 cents a bushel. The tariff act of September 21, 1922, reduced the rate to 30 cents, but on April 6, 1924, under the same flexible provision of the tariff, the duty was advanced to 42 cents a bushel, and the present tariff act of June, 1930, confirmed the rate. During the fiscal year, 1920-21, the last year of the old Conservative administration, the last year that Canadian wheat entered the United States free of duty, our exports to that country were $91,442,298. Under the tariff of 1921-22 our exports dropped to $23,335,277 and by the fiscal year ended March 31, 1930, under the 74 cents per bushel tariff, exports had fallen to $7,487,000. That market for our wheat was lost during the regime of hon. gentlemen opposite. And the story is true all along the line with respect to the exportable surplus of our natural products.

What is the position with respect to wheat flour? During the fiscal year ended March 31, 1921, the last year wheat flour entered the United States free of duty, Canadian exports amounted to the huge sum of $12,000,000. The tariff was raised against us in 1922, 1924 and 1930 and the trade dropped after 1924 to $300,000 and the next year it was less than $100,000. In whose regime and in what period of time was the market for our wheat flour in the United States lost to Canada? The same thing is true of oats. Prior to March 31, 1921, we exported oats to the United States to the value of $4,694,519. The tariff was raised on September 21, 1922, to 15 cents per bushel, and increased to 16 cents on June 17, 1930, and by the fiscal year ended March 31, 1930, the export of oats to the United States had dropped from nearly $5,000,000 to a trifling pittance of $20,000.

Mr. RALSTON: On account of the one cent increase?

Mr. HANSON (York-Sunbury): No, the increase was to 15 cents first and then one cent afterwards. The total of 16 cents made it impossible.

Mr. RALSTON: But the 15 cents was 1922.

Mr. HANSON (York-Sunbury): September 21, 1922, after hon. gentlemen opposite came into power, and so far as we know they made no protest against it.

Mr. RALSTON: But the decrease was after the one cent was added in 1930.

Mr. HANSON (York-Sunbury): There was no decrease, there was a further increase of one cent.

Mr. RALSTON: But the decrease in exports.

Mr. HANSON (York-Sunbury): I do not know what the hon. gentleman is talking about

Mr. RALSTON: I am talking about the decreased exports.

Mr. HANSON (York-Sunbury): I have only forty minutes; the hon. gentleman had unlimited time.

Mr. BRADETTE: He did not read his speech, though.

Mr. HANSON (York-Sunbury): I am reading from very full notes containing figures which I think I ought to read.

Cattle is an important item in Canadian production. Prior to May 27, 1921, cattle entered the United States market free of duty, and our exports of cattle to the United States for the fiscal year 1920 were $42,495,963. For the fiscal year 1921, the last year they were free, they amounted to $21,232,551. Next year they fell to $3,712,821, the 30 per cent tariff being in force most of the time. The Fordney-McCumber tariff of September, 1922, imposed 2 cents per pound on heavy cattle and 1½ cents per pound on lighter cattle. Exports increased, reaching $12,000,000 for the fiscal year ended March 31, 1930. Following this increase in trade the duty was raised in the tariff act of June, 1930, the new rates being 3 cents per pound on cattle weighing 700 pounds or more and 2½ cents per pound on lighter cattle. Under the increased tariffs, exports fell during the next fiscal year, 1931, to $1,369,000 and have dropped further each year since.

The same story is true with respect to beef cattle, fresh beef, mutton and lamb, cream, butter, condensed milk, cattle hides and skins, leather and fish, and I suggest that the statement of hon. gentlemen opposite, which they have repeated so many times in the house and oftener in the country, that the tariff policies of this party from 1930 on were responsible for the loss of our markets, has absolutely no foundation in fact and indeed is contrary to the record, which is as follows:

Fresh Beef

For the fiscal year ended March 31, 1921, the last year that fresh beef entered the United States duty free, exports from Canada reached $5,829,181. Under the emergency tariff, May 27, 1921, of 2 cents per pound, exports for the next fiscal year fell to $2,550,-093. From September 21, 1922, the rate became 3 cents per pound. Nevertheless the trade recovered and for the fiscal year ended March 31, 1930, reached $4,115,625. Then the tariff law enacted June 17, 1930, increased the rate to 6 cents per pound. For the first fiscal year under this tariff exports dropped to $465,473, and have since undergone further reductions.

Mutton and Lamb

Mutton and lamb exports which under the duty free tariff reached over $1,000,000 per year have disappeared altogether under various tariff increases. The rate under the tariff of June 17, 1930, became 5 cents per pound on mutton and 7 cents per pound on lamb.

Cream

Under a tariff of 20 cents per gallon our cream exports to the United States reached $7,749,341 for the fiscal year ended March 31, 1927. Even under a tariff of 30 cents per gallon, imposed June 13, 1929, exports for that fiscal year, ended March 31, 1930, were $4,679,804. The tariff then was raised (June 17, 1930) to 56·6 cents per gallon. When the fiscal year ended (March 31, 1931), the trade under this tariff had dropped to $2,168,849. For the next fiscal year, ended March 31, 1932, it had fallen to $129,285.

Butter

The United States tariff on butter was advanced as follows:

May 27, 1921, from 2½ cents to 6 cents per pound;

September 21, 1922, from 6 cents to 8 cents per pound;

April 5, 1926, from 8 cents to 12 cents per pound;

June 17, 1930, from 12 cents to 14 cents per pound.

The trade which under a tariff of 2½ cents per pound was $5,712,727 for the fiscal year ended March 31, 1920, and $3,156,951 for the fiscal year ended March 31, 1921, dropped to $1,080,357 the first year under the tariff of 6 cents per pound. The first year under the rate of 12 cents per pound, that is for the fiscal year ended March 31, 1927, exports dropped to $106,718 and with the exception of one year has been much lower each year since.

[Mr. R. B. Hanson.]

Condensed Milk

Exports of condensed milk for the fiscal year ended March 31, 1921, were $2,352,319, the last year it was free. The tariff was gradually increased becoming 1·8 to 3¾ cents per pound from June 17, 1930. The trade has dwindled to nothing.

Cattle Hides and Skins

Cattle hides and skins were duty free until June 17, 1930, when 10 per cent ad valorem was imposed. Canadian exports which had been averaging $5,000,000 per year had dropped to less than $2,000,000.

Leather

Exports of harness leather, upper leather and sole leather for the fiscal year ended March 31, 1930, the last year they were free, totalled $4,763,535, but under new tariff rates of 12½ per cent and 15 per cent ad valorem, fell to $2,649,643 for the fiscal year ended March 31, 1931. They have since declined further.

Fish

Fish which was mainly duty free under the tariff of 1913 was subjected to duties in the tariff of 1922 ranging from 1 cent to 2½ cents per pound while some classes were further increased in the tariff act of 1930.

Let us see what the effect in dollars and cents was of the tariff increases of other nations against this country. Let us take wheat and wheat flour under the French tariff. The French tariff on wheat was, as I have indicated, eleven cents a bushel prior to January 7, 1924. On May 20, 1930, it was increased to eighty-five cents per bushel. As other factors, notably the French crop and milling restrictions, influence the trade, we cannot attempt to trace the effect of the tariff on the actual trade, but this high rate of duty was undoubtedly a disadvantage to us. The actual rate being eighty francs for one hundred kilograms or 220 pounds, the equivalent is now much more than eighty-five cents per bushel on account of money being depreciated in terms of the French franc.

The same reasoning is true all the way down the line.

Wheat Flour

The duty on wheat flour entering France was increased at the same time as wheat. Rates on January 7, 1924, ranged from 24 to 34 cents per 100 pounds, depending on percentage of extraction of flour from the wheat. These rates were on March 20, 1930, advanced to a range of $2.28 to $3.29 per 100 pounds. It is true Canada has not shipped large quantities of flour to France but under the high tariff there has been no possibility of trade.

Oats

The French tariff on oats which on April 7, 1926, was as low as 4 cents per bushel became 18 cents on July 9, 1930. Canada's exports of oats to France for the fiscal year 1921 reached $1,180,000. The trade is intermittent but during the fiscal year before the tariff increase was $303,688 and none at all for the fiscal year ended March 31, 1931, during most of which period the increased new rate was the rate in force.

Apples

The French tariff on apples, which was as low as 5 cents per 100 pounds on April 7, 1926, was on March 2, 1928, advanced to 27 cents on boxed apples and 14 cents on others.

Farm Implements

The French tariff on mowing machines, binders and reapers which on April 7, 1926, was as low as 48 cents per 100 pounds was increased on September 6, 1927, to $1.07 per 100 pounds on some and $1.43 on others. Canadian exports of these articles to France were $2,090,668 during the fiscal year ended March 31, 1927, that is, immediately before the increase, but fell to $436,640 for the first complete fiscal year after the increase. For the fiscal year ended March 31, 1930, the exports of these machines had fallen to $367,666.

Crude Zinc

Crude zinc, which was duty free in 1921, became dutiable at the rate of 25 cents per 100 pounds on March 2, 1928.

Lead in Pigs

On May 17, 1922, France increased the duty on lead in pigs from 13 cents to 32 cents per 100 pounds.

The same story is true with respect to Germany and every other European country except Great Britain. The record with regard to Germany is as follows:

Germany: Tariff Increases

Wheat

All wheat entered Germany duty free from May 1, 1922, to September 1, 1925. On the latter date a duty equal to 23 cents per bushel was imposed on wheat except where concessions were granted on condition that a quantity of German wheat be exported equivalent to the quantity of foreign wheat imported. The rate on wheat imported in the ordinary way was increased from time to time until by April 25, 1930, it had reached the equivalent of 98 cents per bushel. While the direct bearing of the tariff increases on wheat is not traceable in our trade returns, obviously this German duty hampered our exports of wheat to that country.

Wheat Flour

Wheat flour which had been entering Germany duty free from May 1, 1922, was on September 1, 1925, subjected to a rate equivalent to about 85 cents per 100 pounds and was increased for practically each subsequent year until on April 25, 1930, the rate had risen to about $3.40 per 100 pounds. Canadian exports of flour to Germany for the fiscal year ended March 31, 1925, when flour was duty free, were $12,748,162. For the fiscal year ended March 31, 1930, the exports had fallen to $4,742,158.

Rye

Rye which had been entering Germany duty free from May 1, 1922, was on September 1, 1925, subjected to a rate of 32 cents per 100 pounds. The rate was subsequently increased at different intervals until on May 26, 1930, the duty had risen to $1.62 per 100 pounds. Canadian exports of rye to Germany for the year ended March 31, 1925, when rye was free of duty, were $1,073,922. The trade fluctuated and, while under the increased tariff exports were sometimes larger than formerly, the high duty, it will be seen, was a severe barrier to trade. For the fiscal year ended March 31, 1930, our exports had dropped to $321,151.

The situation with regard to Belgium is as follows:

Belgium: Tariff Increases

Cheese

The Belgian tariff on cheese between 1921 and 1926 was 24 francs per 100 kilograms. As the money fluctuates the rate in Canadian money during that time ranged from 35 to 81 cents per 100 pounds. For the last year of this low rate, that is the fiscal year ended March 31, 1926, Canada's exports of cheese to Belgium were $795,082. On June 28, 1926, the tariff was increased threefold in Belgian money, that is to 72 francs per 100 kilograms, equalling in Canadian money at that time about $1 per 100 pounds. Following this increase in the tariff Canada's exports fell from $795,082 for the fiscal year 1926 to $79,272 for the fiscal year 1927. The trade had declined to $29,329 for the fiscal year ended March 31, 1930.

Condensed Milk

In 1921 condensed milk entered Belgium at 30 francs per 100 kilograms ($1.05 per 100 pounds). On November 10, 1924 the rate was increased to 60 francs per 100 kilograms ($1.26 per 100 pounds), and again on June 14, 1926, to 125 francs per 100 kilograms ($1.68 per 100 pounds). Canadian exports of condensed milk to Belgium, which amounted to $168,018 for

the fiscal year ended March 31, 1922, when the tariff was 30 francs per 100 kilograms, decreased to $250 for the fiscal year 1926-27 under the tariff of 125 francs. Since then there has been practically no trade.

Upper Leather

The duty on upper leather entering Belgium was increased on April 11, 1921, from 15 francs per 100 kilograms to 60 francs, i.e. from 50 cents to $2.04 per 100 pounds at the current rate of exchange. The rate in Belgian money was further increased on November 10, 1924, to 90 francs per 100 kilograms ($1.89 per 100 pounds at current exchange), and again on June 28, 1926, to 120 francs per 100 kilograms ($1.51 per 100 pounds).

Therefore I think we may well conclude that the record itself is positive evidence that the position and charge of hon gentlemen opposite are wholly unfounded What was the policy of this government? Having corrected the situation so far as Canadian industry and labour were concerned, that is to say, in order to give an equal opportunity to Canadians in our own industries, this government decided and has always had in view certain major considerations We are a debtor nation, and it has always been recognized by everyone, by any right thinking man in this country, especially by the Conservative party, that after first making reasonable provision for Canadian industry and labour, we should endeavour by every legitimate means to extend our foreign trade The two are not incompatible. To this end the government devoted its energy, and I venture to say that in four years it has made more beneficial trade treaties than the former government did in nine years. This is the record and it speaks for itself:

We have made eleven trade treaties in that time with the following countries,

A comprehensive preferential agreement with the United Kingdom embracing within its terms the colonial empire as well.

A new and enlarged agreement with Australia.

For the first time, formal agreements with New Zealand, South Africa, Southern Rhodesia, and the Irish Free State.

A trade treaty of broad scope with France, which for the first time, is mutually binding and mutually satisfactory, in place of one which involved the granting of fixed rates by Canada without corresponding obligations by France and which did not give us the French minimum tariff on all our leading exports to that country.

A commercial arrangement securing most favoured nation treatment from Germany, a country with which our trade relations had long been unsatisfactory.

An arrangement securing most favoured nation treatment from Austria.

An arrangement whereby we obtained most favoured nation treatment from Brazil.

A comprehensive agreement with Poland now ready for signature.

Nor is that all. The government—this so-called "high tariff" government—is negotiating for a trade agreement with the United States; it is negotiating not only with those countries I have mentioned but with two other of the principal and important European countries as well, and also two other countries. No other government in the world, not excepting the government of England, strives more continuously or more effectively to clear the channels of trade.

This is a brief resume of the Canadian trade agreements since August 7, 1930, in the order of their dates, as follows:

Country	Date	Terms of Agreement
Australia	July 8, 1931	Each country accords the other reduced rates on schedules of goods, and otherwise (with a few exceptions in Australia) exchange their British preferential tariffs with each other. In force from August 3, 1931.
Brazil	December 4, 1931	By exchange of notes Canada grants her intermediate tariff in return for most-favoured-nation treatment in Brazil. Except for this agreement, Canada would be under new Brazilian tariff schedule adopted December 11, 1931, one-quarter higher than minimum tariff.
New Zealand	April 23, 1932	Exchanges specific preferences on scheduled goods and otherwise concedes British preferential tariffs reciprocally. Made for one year from date of going into force, May 24, 1932, but since prolonged and now in force until May 24, 1935.
United Kingdom	August 20, 1932	Various new concessions on both sides, increasing preferences formerly granted without written trade agreement. Also extends the preferential system between Canada and the colonial empire.

I want to make one reference to the United Kingdom agreement. It is said by hon. gentlemen opposite that this treaty has been one-sided and unfair to the United Kingdom, because it is alleged that we have secured under this treaty greater benefits than has the mother country. The figures of course indicate that we have sold more to the United Kingdom than we have purchased from them.

Mr. RALSTON I did not say that.

Mr. HANSON (York-Sunbury): But it has been said. I think the hon. gentleman's own leader said it; he says almost anything that comes into his head. What happened is this: We have been selling to England primary products which practically sell themselves so far as immediate sales in the English market are concerned, while they have been wanting to sell us manufactured goods that in many cases have not hitherto been on our market; that requires high class salesmanship and requires time. That is one reason why they have not done quite as well as we have, but we have done our full duty in the premises, and in this budget we have enlarged, at the specific request of the British government itself, the number of articles on the free list. The hon. gentleman made a play on words the other day with respect to mechanical toys. I wonder whether he made any investigation with regard to that item before he made that statement.

Mr. RALSTON: I mentioned toy construction sets.

Mr. HANSON (York-Sunbury): I thought he did. I want to tell him if he does not know it—and I am sure he does—that is an important article of commerce in the United Kingdom. We annually import large quantities of that sort of thing into Canada.

Mr. RALSTON: How much?

Mr. HANSON (York-Sunbury): I cannot give the hon. member the figures, but I shall get them for him; they are readily available. I am not a walking encyclopaedia and I have not taken four days including Sunday in the preparation of this speech, either.

Mr. RALSTON: Apparently somebody else has.

Mr. EULER: It is not as good a speech, either.

Mr. HANSON (York-Sunbury): That item was put into the budget at the specific request of the British government, and is evidence of the good faith of this country towards the motherland. I have no doubt it will redound to their advantage.

Then the list of agreements continues as follows:

Country	Date	Terms of Agreement
Irish Free State.. ..	August 20, 1932..	Canada concedes British preferential tariff in return for most-favoured-nation treatment in Irish Free State. Formerly each country exchanged. British preferential schedules without agreement.
Union of South Africa.	August 20, 1932..	Agreement extends list of preferences formerly exchanged in absence of written agreement.
Southern Rhodesia.. ..	August 20, 1932..	Confirms exchange of British preferential rates and provides for stated preference on some goods.
Germany..	December 27, 1932. Renewed March 31, 1933, and again on December 23, 1933, for indefinite period.	By exchange of notes Canada grants her intermediate tariff in return for most-favoured-nation treatment in Germany. Canada thus escaped a German super tariff 2 to 10 times higher on many items than the normal general tariff and also secured benefit of such German treaty rates as exist from time to time.
France..	May 12, 1933. In force June 10, 1933. Enlarged by additional protocol, mostly in effect from October 1, 1934, and approved by a Canadian act, assented to March 21, 1935.. ..	Canada as regards scheduled goods grants either her actual intermediate tariff or reductions from intermediate. France grants her minimum tariff on scheduled goods or percentage reductions from her general tariff. France also removes an 11 per cent ad valorem depreciated currency surtax against Canada and reduces to 2 per cent an "import tax" which was 4 per cent on some goods and 6 per cent on others.
Austria..	July 5, 1933. Renewed December 29, 1933, and again on January 14, 1935, for indefinite period.. .	Canadian intermediate tariff is exchanged for most-favoured-nation treatment in Austria, which secures for Canadian goods entering Austria guarantee of treaty rates existing between Austria and other countries.

These agreements extend the list of preferences formerly exchanged in the absence of written agreements.

In addition to these ten new trade agreements, the government has been actively engaged in the negotiation of others. Negotiations which have been in progress between Canada and Poland for a trade agreement with that country are now far advanced. Negotiations are also in progress with the United States and with some other countries, notably two in Europe, with which Canada does extensive trade. When the whole program is completed we will be in a position to say that Canada has the most extensive and most favourable trade agreements with the whole world she has ever had. It is a program greater in extent than ever attempted before by any Canadian government.

Mr. RALSTON: And less trade.

Mr. HANSON (York-Sunbury): I propose to discuss that point in a moment; possibly I might as well deal with it now. In the course of his speech the hon. member for Shelburne-Yarmouth stated that we had done a great deal less trade; I believe that is the effect of his observations. Apparently he is content to ignore the fact that since 1929 Canada in common with all other world trading countries has been going through the worst period of depression the world has ever known, whereby not only prices but also volume of commodities have greatly decreased.

Mr. RALSTON: I mentioned it.

Mr. HANSON (York-Sunbury): Well, if you did, it must have been during the time you put us to sleep. I never heard the hon. member mention it, except—

Mr. ELLIOTT: "Stunned" I think, not "asleep."

Mr. HANSON (York-Sunbury): I have only forty minutes in which to speak, and I would ask hon. members opposite to allow me to proceed.

In the course of his arguments the hon. member for Shelburne-Yarmouth made the statement, as reported at page 2103 of Hansard, that the average annual trade of this country for the five year period ending March 31, 1930, the time hon. members opposite were in power, was $2,372,192,198, and that the total trade in the same period was $11,860,960,000. On the other hand he stated that for the five year period ending March 31, 1935, the annual average was $1,190,985,038, and that the total during that five year period was only $5,954,925,194. I have not had an opportunity to verify those figures, but I assume they are substantially correct. No doubt the hon. member obtained them from the bureau of statistics.

My first observation in reply is that in the last five year period to which the hon. member referred world trade fell from 66 billion dollars in the year 1928-29 to just about 25 billion dollars, representing a decline of no less than 62 per cent. During the same period the trade of Canada declined only about 50 per cent, so that the statement made from time to time that Canada has come through the depression better than most countries has a real basis of fact.

Mr. RALSTON: Is the figure of 66 billion dollars for the five year period?

Mr. HANSON (York-Sunbury): I understand figures issued by the League of Nations indicate that world trade fell from 66 billion dollars to 25 billion dollars.

Mr. RALSTON: In what period?

Mr. HANSON (York-Sunbury): In the second five year period.

Mr. RALSTON: The 66 billion dollars is for the first five pear period?

Mr. HANSON (York-Sunbury): No, I do not think that is correct. There was a general decline of trade from 66 billion dollars to 25 billion dollars, representing a fall of 62 per cent, while in a comparable period the trade of Canada fell only 50 per cent. It must be borne in mind that the value of commodities during the previous period, on a dollar basis, was in many cases more than double.

Mr. RALSTON: What is that?

Mr. HANSON (York-Sunbury): The value on a dollar basis, prior to 1930, fell by about 50 per cent.

Mr. RALSTON: Did the dollar fall?

Mr. HANSON (York-Sunbury): No, but the value of commodities fell. The hon. member knows very well what I am trying to indicate, and the interjections are quite unworthy of him. The real reason however for the apparent great decline in our foreign trade is based on two important factors, namely (1) the great decline in the dollar value of commodities; and (2) the closing of the doors to nearly all our products by reason of the action of our neighbours to the south in placing practically prohibitive tariffs against us in the Hawley-Smoot tariff which went into effect in June 1930. When we consider these two elements we may well congratulate ourselves that our foreign trade came through as well as it did.

I should like to speak very briefly respecting the question of trade arrangements with the United States. I submit any extended statement as to the negotiations for a trade treaty with the president and the executive of the United States would be neither advisable nor desirable at this particular juncture, when representations and briefs have just been filed with the United States authorities under the terms of their legislation and are now under consideration. But it will do no harm at this time to restate briefly the position of the Conservative party as outlined by the Prime Minister in his speech in the session of 1933, found at page 2261 of Hansard, where he reviews the whole position, beginning as far back as 1879 when the national policy was introduced into this country, and in which he traced the history of the movement, including the legislation of 1888, 1890 and 1894 under the old Conservative government, and the legislation of 1897 under the Laurier administration, and again in 1923; in all of which there were standing offers of reciprocal trade arrangements on the part of the parliament of Canada. In the face of all these offers the tariff of the United States was steadily raised against Canada, with the exception of a brief period during the democratic administration of President Wilson. During which time we enjoyed practically all the advantages of the proposed agreement of 1911. I would particularly call the attention of the house to the language of the Prime Minister at page 2267, in which he uses the following words:

> We must concede the absolute right of the United States Congress to determine what it conceives to be best in the interests of that country. That is clear. In my judgment all we can do is follow the course that has been followed by successive governments and indicate clearly our willingness to negotiate on terms that are fair and reasonable, to quote the words that have been used by both Liberal and Conservative prime ministers and ministers of finance. We can only be ready and willing to avail ourselves of any proposals that are fair and reasonable and are not of such a character as will involve injury to this country if they are speedily terminated. I regard that as a factor of the utmost importance, and I believe I always shall, because I never have seen any answer to that argument, whether it be the notice that terminated that reciprocity agreement in 1864 or 1865, or the more recent termination of the Wilson tariff statute.

The negotiations are going on and in my opinion no good purpose will be served by continuing the discussion here.

Mr. JEAN FRANCOIS POULIOT (Témiscouata): Mr. Speaker, speaking to the subamendment may I say that on February 3, 1933, as appearing at page 1805 of Hansard the following question was put to the hon. member for Macleod (Mr. Coote):

> Mr. Pouliot: If the tariff is lowered will there be any further necessity for inflation? If trade becomes normal will not our currency also return to normal?
>
> Mr. Coote: The more tariffs we remove the sooner our money will return to its proper level.

The same matter was referred to on March 27, 1933, at page 3427 of Hansard, and the hon. member did not object to it. At page 4459 of the Hansard of May 1, 1933, the same matter was referred to by the member for Témiscouata (Mr. Pouliot), and the hon. member for Macleod spoke as follows:

> I do not think my hon. friend has quoted me correctly. Although we might have free trade, I think this country has been deflated to such a point that we must have inflation to correct the situation. I was in error if I gave the answer which the hon. gentleman attributes to me.

But he had said, "The more tariffs we remove the sooner our money will return to its proper level." That is very clear, Mr. Speaker, and I shall not insist any more about it.

In his speech this afternoon the hon. Minister of Trade and Commerce (Mr. Hanson) said that it was when the Liberal government was in power that Canada lost her markets. I have a few remarks to make on that same subject of markets but with this difference, that I shall submit that the time when Canada lost her markets was from 1930 until the present under this Conservative administration. The hon. minister was kind enough some time ago to give me some information about the proportion of the United Kingdom's trade with empire countries to total world trade for the calendar years 1929 to 1933, and I find there that the proportion is as follows:

Proportion of United Kingdom Trade with Empire Countries of Total World Trade
(Calendar Years, 1929 to 1933)

Years	Imports %	Exports %	Total trade %
1929..	4.9	4.8	4.8
1930..	5.1	4.6	4.8
1931..	5.4	4.1	4.8
1932..	6.2	4.5	5.4
1933..	6.6	4.6	5.6

I am not making any point about the percentage of imports and exports because they are about the same, but the figures in the above table that I wish to stress are those showing the United Kingdom's empire trade as a percentage of total world trade, namely, in 1930, 4·8 per cent; 1931, 4·8 per cent; 1932, 5·4 per cent, and 1933, 5·6 per cent. But that

does not represent the whole empire trade because it does not also include the trade of all other British countries between themselves.

It has already been put upon Hansard that the total British empire trade amounts to 9·1 per cent of world trade. Therefore the total empire trade, including the United Kingdom's trade with empire countries, is about 9·1 per cent of the total world's trade. That means that in accepting the Ottawa agreements this government has sacrificed the chances of Canada in 91 per cent of the total world's trade for 9·1 per cent of that trade. It shows that Canada now has opportunities in only a very small fraction of the world's trade.

In sessional paper No. 127 B, of February 4, 1935, the hon. Secretary of State (Mr. Cahan) answered as follows for the hon. Minister of Trade and Commerce (Mr. Hanson):

Imports from the United Kingdom and other British countries were less for the twelve months ended August 31, 1931, 1932, 1933 and 1934 than for the same period in 1930; while exports to the United Kingdom were less for the twelve months ended August 31, 1931, 1932, 1933 than for the twelve months ended August 31, 1930, but greater for the same period in 1934 than in 1930; while exports to empire countries were less for the twelve months ended August 31, 1931, 1932, 1933 and 1934 than for the same period in 1930.

That means that Canada's empire trade has been much less since this government has been in power than under the previous Liberal administration. The answer of the hon. Secretary of State was to a question about exports to the United Kingdom, and his answer refers only to domestic exports and does not include Canada's exports of foreign merchandise. If the latter were included, as it should have been, it would have shown that in fact our total exports to the United Kingdom were not greater but less for the twelve months ended August 31, 1934, than for the same period in 1930.

Now I am going to give Canada's imports from and its domestic exports to the United Kingdom and other British countries for the years 1930 to 1934 inclusive, from the official return, sessional paper 127B, and others tabled the same day:

I.—Canadian Trade with United Kingdom

United Kingdom—Twelve months ended August 31	Imports from	Less than in 1930
1930..	$172,473,524	.....
1931..	132,094,882	$40,378,642
1932..	94,374,040	78,099,484
1933..	90,915,897	81,557,627
1934..	112,760,992	59,712,532
		$259,748,285

That shows that the total loss in Canada's imports from the United Kingdom from August 31, 1930, to September 1, 1934, was $259.000,000 in round figures. That is the loss sustained in our imports from the United Kingdom. Here are our domestic exports to the United Kingdom:

Domestic Exports to United Kingdom

		Less than in 1930
1930..	$258,980,455	.....
1931..	195,414,843	$63,565,612
1932..	168,674,283	90,306,172
1933..	197,634,504	61,345,951
1934..	259,015,456	35,001*
Less..		$215,182,734

* Increase.

There was an increase of $35,001 in 1934 as compared with 1930, but the above table does not include the export of foreign produce from Canada, or the figures would have been considerably different. The total loss in Canadian domestic exports to the United Kingdom from 1930 to 1934 was $215,000,000 in round figures.

Let us see for the same period Canada's trade with other British countries:

II.—Canadian Trade with other British Countries excluding United Kingdom

Other British countries	Imports from	Less than in 1930
1930..	$66,465,042	
1931..	45,413,713	$21,051,329
1932..	36,448,736	30,016,306
1933..	33,214,572	33,250,470
1934..	41,050,621	25,414,421
		$109,732,526

That shows a total loss in Canadian imports from other British countries than the United Kingdom of $109,000,000 in round figures.

Now our domestic exports to British countries other than the United Kingdom are as follows:

Other British Countries	Domestic exports to	Less than in 1930
1930..	$90,391,007	
1931..	60,243,107	$30,147,900
1932..	41,471,154	48,919,853
1933..	39,950,609	50,440,398
1934..	61,107,113	29,283,894
		$158,792,045

That shows a total loss in domestic exports to British countries other than the United Kingdom for those four years of $158,000,000 in round figures.

Canada's empire trade, that is our trade with all empire countries, including the United Kingdom, was as follows:

Twelve months ended August 31	Imports from	Less than in 1930
1930	$238,938,566	
1931	177,508,595	$ 61,429,971
1932	130,822,776	108,115,790
1933	124,130,469	114,808,097
1934	153,811,613	85,126,953
		$369,480,811

	Domestic Exports to	Less than in 1930
1930	$349,371,462	
1931	255,657,950	$ 93,713,512
1932	210,145,437	139,226,025
1933	237,585,113	111,786,349
1934	320,122,569	29,248,893
		$373,974,779

	Imports and Domestic Exports	Less than in 1930
1930	$588,310,028	
1931	433,166,545	$155,143,483
1932	340,968,213	247,341,815
1933	361,715,582	226,594,446
1934	473,934,182	114,375,846
		$743,455,590

It would appear that Canada's domestic exports to the United Kingdom were $35,001 more in 1934 than in 1930; but Canada's total exports, including foreign produce, to the United Kingdom, were in fact less in 1934 than in 1930. This is only a fraction of Canada's British trade. Canada's domestic exports to other British countries were $29,283,894 less for the same period. Canada's empire trade, including imports, in 1934 was $114,375,846 less than in the last year of the Mackenzie King government.

What benefits have been derived from the Ottawa agreements? The results of the general policy of this government and the increased tariffs it has put into effect are contained in an official return made on February 4 by the Secretay of State. This document states that Canada's monthly imports and domestic exports from September 1, 1929, to August 31, 1934, were less than for each month from September 1, 1929, to August 31, 1930. Ever since this government has been in power the monthly figures for our trade, both imports and exports, show a decrease for the corresponding month in the last year of the Liberal government. I should like to quote some figures which give a comparison between the monthly imports and exports in 1934 and in 1930. Mention will have to be made of the last four months in 1929 because these were included in the figures of the last year of the Mackenzie King government. These figures are:

Monthly imports—	1930	1934	Decrease in 1934 compared with 1930
January	$ 84,662,377	$32,391,424	—$52,270,953
February	80,922,161	33,591,884	— 47,330,277
March	113,025,526	47,519,291	— 65,506,235
April	71,401,839	34,814,498	— 36,587,341
May	101,544,817	52,886,861	— 48,657,956
June	91,543,981	46,185,892	— 45,358,089
July	84,550,935	44,144,509	— 40,406,426
August	77,960,294	43,507,331	— 34,398,963
	1929	1934	
September	99,379,848	42,207,602	— 57,172,246
October	116,271,197	47,228,804	— 69,042,393
November	108,733,697	49,884,153	— 58,849,544
December	84,365,155	39,107,248	— 45,257,907
Domestic exports—	1930	1934	
January	73,507,327	46,652,017	— 26,855,310
February	66,689,817	37,842,403	— 28,847,414
March	89,595,317	57,637,721	— 31,957,596
April	50,744,139	31,581,881	— 19,162,258
May	77,260,557	57,899,511	— 19,361,046
June	78,703,281	58,045,528	— 20,657,753
July	76,407,506	56,121,112	— 20,286,394
August	69,290,228	55,249,375	— 14,040,853
	1929	1934	
September	89,423,594	58,135,136	— 31,288,458
October	119,365,558	67,747,809	— 51,517,749
November	111,068,332	65,124,512	— 45,943,820
December	88,520,355	60,850,223	— 27,670,132

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I want to give the accurate and official figures so that hon. gentlemen opposite will know just what is occurring in connection with the trade of this country. If we look at the last reports of the Department of National Revenue we see that for the month of January 1935, the imports were $37,000,000. In January, 1930, they were $84,000,000. Therefore, if they were $5,000,000 more than in 1934 they were $47,000,000 less than in 1930. With regard to exports, for the month of January, 1935, the figure is approximately $3,000,000 less than in 1934. It is $43,901,000 in 1935; in January, 1930, it was $73,507,000, which means about $30,000,000 less than in 1930.

I have also a summary of Canadian trade published by the Department of National Revenue, showing last February imports as $37,000,000. In February, 1930, the figure was $80,000,000. The exports in that month were $46,000,000, and in February, 1930, it was $66,000,000. It shows that there also there was a great loss.

Something has been said about the value of gold. In this connection I have a letter from Mr. R. H. Coats, Dominion Statistician, with regard to the gold value of the Canadian dollar. I will quote it:

Ottawa, February 8, 1935.

Dear Mr. Pouliot:

Below are listed average annual values of the the Canadian dollar reckoned in terms of its old gold parity. These figures might be considered as the gold price of the Canadian dollar during the years in question.

	Gold value of the Canadian dollar Cents
1930	99.7
1931	95.8
1932	87.5
1933	72.0
1934	60.2

Yours very truly,

R. H. Coats,
Dominion statistician.

With regard to the external trade of Canada, the figures are appalling, because since this government took power the external trade of the country has decreased by $4,000,000,000 over four years or an average of $3,000,000 a day. This I submit is astounding. Let me quote from a return, reference No. 59, February 2, 1935, tabled by the Secretary of State (Mr. Cahan), being sessional paper No. 127. It shows that Canada's imports and exports in each month from September 1, 1930, to August 31, 1934, were less than for each month from September 1, 1929, to August 31, 1930. This table shows that the imports and exports have been less, each month, during the four years that this government has been in power, than they were during the corresponding month in the last year of the previous government. The imports, by years, were as follows:

Imports—		Decrease compared with 1929-30
1929-30	$1,114,307,827	
1930-31	752,507,457	$ 361,800,370
1931-32	492,797,822	621,510,005
1932-33	380,695,437	733,612,390
1933-34	493,889,477	620,418,350
Total decrease		$2,337,341,115

The figures for the domestic exports from Canada for the same years are:

Exports—		Decrease compared with 1929-30
1929-30	$988,803,451	
1930-31	693,862,469	$ 294,940,982
1931-32	521,707,343	467,096,108
1932-33	489,535,426	499,268,025
1933-34	630,616,527	358,186,924
Total decrease		$1,619,492,039

The total decrease was $1,619,492,039. The decrease in external trade from September 1, 1930 to August 31, 1934 was: Imports, $2,337,000,000; domestic exports, $1,619,000,000. The total decrease in trade during that period was $3,956,000,000.

With regard to our trade with the United States, for the twelve months ended August 31, the figures for the following years are:

United States
(Twelve months ended August 31)

1930	737,192,834	459,881,761	18,994,624
1931	474,188,829	292,838,351	10,878,989
1932	292,047,964	195,722,361	7,696,894
1933	210,804,261	148,587,571	4,585,445
1934	276,910,911	202,791,549	5,443,349
Calendar year—			
1934	293,780,327	222,544,093	5,449,986

I have here a letter from Mr. D. Leo Dolan, Director of the Canadian Travel Bureau of the Department of Railways, which is as follows:

Ottawa, January 22, 1935.

Dear Mr. Pouliot:

In compliance with your telephone request of this afternoon I am pleased to set out below the approximate amounts spent by United States citizens in Canada from 1929 to 1933, inclusive:

1929	$309,000,000
1930	275,000,000
1931	250,000,000
1932	200,000,000
1933	117,000,000

With regard to the 1934 figures I may say that these have not been officially released as yet but I think it is safe to estimate that there will be an increase of about twenty-five per cent for 1934.

I shall endeavour to get you some further figures with regard to European traffic.

Very truly yours,

(Sgd.) D. Leo Dolan,
Director.

Canadian trade with the United States during the twelve months ended August 31, 1930, was:

Imports	$737,192,834
Total exports	478,876,385

The unfavourable balance of visible trade was $258,316,449, but the invisible trade was $275,000,000, therefore the favourable trade balance of Canadian trade with the United States, visible and invisible, was $17,000,000, during the last twelve months of the Mackenzie King government. Those figures are most important, although they were overlooked by our hon. friends on the other side when they were speaking all the time of the unfavourable balance of trade with the United States. They could not see it because it was invisible, but it was there just the same, and it was in the pockets of the Canadian people.

I shall not take up the time of the house further, as its time is very precious. I have put these figures on record in order that they may be available to those who want to study the true picture of our trade, as given by the government themselves and by their departments. It is astounding to note the great, the terrific decrease in Canadian trade since our friends opposite have been in office. I would not have spoken of it if they had not put the blame on the Liberal party, but as they did so an answer was called for. Now they have the figures and they should look at them because they originate with them. Perhaps they did not glance at them, but it is most important for them to know the real facts. It is absurd to make any comparison between this year or last year or the year 1932, because at that time the blasting had been done, our trade had been already destroyed; it is most unfair of the government to compare themselves with themselves. They should compare their record with that of the administration of this party. They blame us for the loss of our trade but they dare not go back and compare themselves with us. It is most unfair, it is unbelievable. President Roosevelt in the United States compares his administration with that of the last year of President Hoover's regime. That is fair. Why not make a similar comparison here? It is because the propaganda which was used during the last campaign, that things were bad then, cannot be used any more. Then the present Prime Minister and his satellites said everywhere, "Things are going bad, the country is going to the dogs." I heard myself some young men of McGill university, following the radio broadcasts, discussing whether our country was going to the dogs. We have lost since then and in four years, $3,000,000 a day in trade, the enormous and incredible sum of $4,000,000,000; each year since this government came into power we have lost $1,000,000,000 and now they try to blame us for that. The people will not take the supporters of this government seriously.

Before closing may I tell my friend the hon. member for Shelburne-Yarmouth (Mr. Ralston) how much I was interested in hearing his speech. It was very complete. If I have taken the liberty of giving some figures to the house it was not in the least to add anything to his observations, which were to the point and gave a true picture of conditions in this country, but I just wanted to put some official figures on record, in view of the distortion of facts which has come from the other side of the house.

Mr. SAMUEL GOBEIL (Compton): At the outset of my remarks may I extend to the hon. Minister of Finance (Mr. Rhodes) my congratulations upon the very able manner in which he presented the budget for this fiscal year. It is not a political budget, not a budget to mislead the people of this country but the budget of a business man setting forth the facts as they are, and one which the future will justify.

Until I heard the speeches of hon. gentlemen opposite, especially that of the hon. member for Shelburne-Yarmouth (Mr. Ralston) and the hon. member for Medicine Hat (Mr. Gershaw) I was undecided whether or not I should participate in this debate. But as they have repeated the assertion that this government and the Conservative party have strangled the external trade of our country and, as they are constantly doing, have claimed that this party is a party of high tariffs, and as I come from a constituency bordering on the United States I felt that I could not let this occasion pass without stating once more the actual facts in regard to the tariff. Before going into that, however, I should like to say a few words concerning the speech made by the hon. member for Medicine Hat. At the beginning of his speech he said:

> I am of the opinion that the people of this country want a general election at the earliest possible moment.

Some hon. MEMBERS: Hear, hear.

Mr. GOBEIL: I hear some hon. gentlemen saying "Hear, hear."

Mr. GERSHAW: That is right.

Mr. GOBEIL: Are hon. gentlemen opposite as anxious as they seem to be for a general election? Have they confidence in the judgment of the electors? I hear nobody saying, "Hear, hear." I can only conclude that they

are not as confident of the result of the coming election as they would try to lead people of this country to believe. I see two principal reasons for that. One is not only a reason but a proof that my hon. friends are not at all anxious to have an election now, "without delay," as they say. If that be true why should they want to disfranchise a couple of hundred thousand electors? If they were so confident of the verdict of the electors why should they be clamouring to have an election now or within a couple of months, thereby disfranchising all the boys and girls who have come of age or will come of age between the date of the making up of the list last year and the next revision in May? If my hon. friends were as confident as they claim to be they would want to have these boys and girls vote so as to enlarge their majority. But they know that these boys and girls are not going to vote for the Liberal party. They know very well that the youth of to-day are thinking seriously, that they realize that the civilized world is at the parting of the ways and that this government has done all that could possibly be done. The youth of this country do not overlook, as my hon. friends opposite always do, that we have been passing through a depression for six years. They are aware of that, and they also realize that this government has done everything that could be done to minimize the seriousness of the depression, and that it is now passing legislation which will give the youth of the country a chance. Of course I can only speak for myself, but personally I would urge the government not to dissolve parliament, or at least not to have a general election, before all those young people, who will probably number around two hundred thousand, have their names put on the lists and have a chance to have their say in the election of the next parliament.

Mr. BEAUBIEN: Is it the intention of the government to defer the election until the Dionne quintuplets are able to vote?

Mr. GOBEIL: I said that I was speaking for myself. At all events I am not aware of the intention of the government, but even if parliament were to prorogue before Easter—and every hon. member knows that is impossible—we could not have a general election before the end of May or the first part of June. This would mean that the electorate would be called upon to cast their votes while the revision of the lists was in progress, with the consequence that all the boys and girls who should have an opportunity to express their opinion at the polls would not be able to do so.

[Mr. Gobeil.]

I want to refer to another remark made by the hon. member for Medicine Hat. In the course of his address he said: "The farmers are submerged." I am not going to dispute those words, but I am afraid many people forget that the farmers have not got into debt since 1930. I do not think there is one farmer out of a hundred who since 1930 contracted a new mortgage or went into debt heavily. My hon. friends opposite claim that the farmers are in a desperate plight, and we agree with them in that. But if the farmers are in a desperate condition, it is because they went into debt during the supposed prosperity from, if you like, 1925 to 1930; that is the time when, as every hon. member knows, the farmers contracted their debts. Since 1930 they have not been able to repay their debts, but those who did not have any, have managed to live fairly well. The troubles from which the farmers are suffering to-day were contracted under the previous administration; no one can dispute that.

To come to the main remarks I intend to make, the hon. member for Shelburne-Yarmouth (Mr. Ralston) at the beginning of his speech said:

> At long last the government had come to realize that the trade and tariff policies which had been nearly the ruination of this country for the past four years had been futile.

Those are the words that caused me to decide to make a few remarks in this debate. I have absolutely no apology for saying that I am a party man, that I believe in the party system. Under our system of government we must have parties. I believe also the role of the opposition is perhaps just as important and necessary to good conduct of the affairs of the country as is the role of the government of the day. The duty, the role of the opposition is to criticize the government when it deserves criticism. But in order to fulfil its function, the opposition must make honest criticism, criticism that will not mislead the electorate. I say very definitely that my hon. friends opposite know very well that the tariff changes that have been made since 1930 have not been the cause of the ruination of this country in the last four years.

I want to put on Hansard some actual and specific figures. My notes are pretty well along the lines of the remarks of the Minister of Trade and Commerce (Mr. Hanson), so that as I do not want to duplicate his observations, I shall have to be careful and cut down some of mine. In view of the repeated declarations of hon. gentlemen opposite—and they make declarations in a general way;

they do not point to any specific rate of duty raised by this government as being the cause of loss of trade—it is necessary that we dot some of the i's and cross some of the t's. I am going to mention just a few items, but before doing so I want to repeat in a general way what has already been said by the Minister of Trade and Commerce, namely, that almost every country in the world during the regime of hon. gentlemen opposite raised its tariff duties against Canada, in such a way that in many cases the tariffs were absolutely exclusive. Let me cite a few items of the French tariff, as follows:

Commodity	When tariff imposed	Tariff
Wheat	January, 1924	11 cents a bushel
	May, 1930	85 cents a bushel
Cheese	April 7, 1926	45 cents per cwt.
	1928	$1.78 per cwt.
Butter	April 7, 1926	40 cents per cwt.
	June 3, 1930	$3.55 per cwt.
Refined lard	April 7, 1926	60 cents per cwt.
	July 19, 1930	$4.45 per cwt.
Fresh apples (in boxes of 44 pounds)	April 7, 1926	05 cents per cwt.
	March 2, 1928	27 cents per cwt.

So much for France. I could keep on mentioning pretty nearly every natural product in Canada where tariffs of foreign countries against Canada have been almost prohibitive. Let me now quote a few items from the German tariff duties, as follows:

Commodity	When tariff imposed	Tariff
Wheat	May 1, 1922	Free
	April 25, 1930	98 cents per bushel
Butter	May 1, 1922	Free
	July 15, 1929	$ 5.50 per cwt. (or 5½ cents a pound)
Cattle	May 1, 1922	Free
	December 21, 1929	$ 2.90 per cwt.
Rubber footwear (unvarnished)	1921	$ 7.61 per cwt.
	October 25, 1923	$22.70 per cwt.
Oats	May 1, 1922	Free
	March 27, 1930	44 cents per bushel

Then we have the figures for the following countries:

Italy

Commodity	When tariff imposed	Tariff
Wheat	1921	Free
	May 4, 1929	73½ cents per bushel
Ham	1921	Free
	April 20, 1927	$2.19 per cwt.

Belgium

Cheese	1921	81 cents per cwt.
	1926	97 cents per cwt.
Evaporated milk	1921	Free
	June 7, 1926	40 cents per cwt.
Condensed milk	1921	$1.01 per cwt.
	June 7, 1926	$1.68 per cwt.

Japan

Wheat	1921	18 cents per bushel
	1930	34 cents per bushel
Oatmeal	1921	$2.00 per cwt.
	1930	$3.57 per cwt.
Douglas fir	1921	Free
	1930	$4.55 per 1,000 feet

China

Bacon and ham	1921	$1.02 per cwt.
	1930	$5.14 per cwt.
Butter	1921	$1.54 per cwt.
	1930	$5.88 per cwt.
Condensed milk	1921	55 cents per cwt.
	1930	$1.96 per cwt.

Mexico

Wheat	1923	60 cents per bushel
	August, 1930	$1.05 per bushel
Bacon	1923	05 cents
	1930	12½ cents
Butter	1923	3¾ cents
	1930	15 cents
Cheese	1923	2½ cents
	1930	15 cents

I should add that rates were changed, so far as Japan was concerned, on ham, bacon, butter, cheese, and condensed milk. I wonder, further, what the members from British Columbia think about the change made in the rate on Douglas fir. Then, in addition to the rates I have indicated for Mexico may I add that the duty was raised on lard, eggs, apples and on canned fruits from 12½ cents to 50 cents.

I do not wish to take further time in quoting the rates, but the figures I have given will serve to indicate the amount of the increases. I could go on at greater length, giving the rates for different countries, but because I have further observations to make I shall not take time to do so.

May I now turn to our position so far as the United States is concerned. This phase of the matter has been fully covered by the Minister of Trade and Commerce (Mr. Hanson), but I believe I would do well to repeat the changes of tariff which have taken place in connection with cattle, particularly in view of the fact that my constituents are very much interested in this phase of the matter. I feel confident that when the next election is held the electors of Compton will not forget that when hon. members opposite took office in 1921 Canada could export cattle free to the United States. I do not think they will forget further that in the twelve months previous to placing a tariff of three cents per pound on cattle weighing more than 700 pounds and two and a half cents per pound on cattle weighing less than 700 pounds we exported over a quarter of a million head of cattle to the United States. I do not think either that they will forget the fact that during the term of office of hon. members opposite the tariff was raised. Although they will not forget, I should like to remind them.

Concerning trade with the United States may I place only one figure on Hansard. All hon. members know that due to tariffs against us in 1930 all natural products of Canada were shut out of the American market, and the Minister of Trade and Commerce made reference to our adverse trade balance with the United States. I have before me a statement prepared by the bureau of statistics indicating that in the eight years hon. members opposite held office the total adverse balance of trade in goods with that country was valued at $1,583,141,921.

What was the result of raises in tariffs imposed against Canada by almost every country? It was that between 1925 and 1930 our exports from year to year decreased while, on the other hand, because of the fact that hon. members opposite took no action against the United States when the markets of that country were closed to our products, our imports increased. I find that in the year 1925 our imports from all countries amounted to $878,000,000, in round figures, and for the same year our exports were valued at $1,271,000,000. Hon. members will recall that many of the figures I gave previously related to tariffs imposed against us by different countries in the year 1926. We find that in 1926 our imports had increased to $993,000,000 and our exports decreased to $1,269,000,000. That may be only a slight decrease, but that small figure taken in conjunction with the increase in imports of over $115,000,000 was quite alarming. We find that in 1927 our imports were valued at $1,068,000,000, again an increase of nearly $75,000,000. In that year our exports decreased to $1,218,000,000. In 1928 our imports continued to increase, reaching in that year a value of $1,198,000,000, while in the same year our exports were $1,350,000,000. This was our peak year.

In examining the trade figures for the eight principal countries of the world I found that in each, with the exception of Canada, the peak trade year was in 1929, while our peak year was in 1928. In my view that is a clear indication of the effect of tariffs imposed by different countries against Canada. However there is another significant fact. As I have said, our peak year for exports was the year 1928, and one might imagine that under normal circumstances it would be the peak year for imports. That however is not the fact. While our exports to the world decreased from $1,350,000,000 in 1928 to $1,182,000,000 in 1929, our imports increased from $1,198,000,000 in 1928 to $1,273,000,000 in 1929. The result was, as mentioned by the Minister of Trade and Commerce, that for the first time in the last twenty-five

years Canada had an adverse trade balance of over $100,000,000, or to be exact $103,000,000. That was due undoubtedly to the effect of the raising of tariffs against us by the different countries of the world, and hon. gentlemen opposite never objected to that action. I think that is an honest picture of the facts, Mr. Speaker, and I invite hon. members opposite to correct me if I am wrong. If I am wrong, then the figures given me by the bureau of statistics are wrong, but in my opinion there is no clearer indication or proof that Canada lost all her foreign markets under the administration of hon gentlemen opposite. When I say all, I do not mean that we did not trade with anybody else at all, but we had the wrong end of the stick. Although other countries were raising their tariffs against us we stood still, and in the years 1929 and 1930 we became the dumping ground of the whole world, with the result that we had an adverse balance of trade of $103,000,000.

The hon. member for Shelburne-Yarmouth (Mr. Ralston) in his speech quoted some of the remarks that had been made by the right hon. the Prime Minister, and I want to quote them too. He quoted the Prime Minister as saying:

> Tell me, when did free trade fight for you? You say tariffs are only for the manufacturers. I will make them fight for you as well. I will use them to blast a way into the markets that have been closed to you.

That promise of the Prime Minister has been fulfilled one hundred per cent. My hon. friend quoted the Prime Minister further as follows:

> It is true we must have foreign markets, and as I said the other evening, we will blast a way to those markets with any exportable surpluses. We do not have to worry about that.

The Prime Minister has made good on that too. The Minister of Trade and Commerce gave to the house this afternoon the number of treaties that have been made with foreign countries by this government, but, Mr. Speaker, it is results we want, and the results are here. Although this country was passing through the worst depression that the civilized world has ever experienced when this government took hold of affairs in this country, and although we had then an adverse balance of trade of $103,000,000, the action of this government under those difficult circumstances has changed an adverse balance of trade of $103,000,000 into a favourable balance in 1934 of $147,000,000.

Some hon. gentlemen opposite may say, as they have said before, that trade balances do not tell the whole story, but it is a well recognized fact that there is a big difference between a debtor country and a creditor country. Everybody knows that a new country which has to be developed must have money in one of two ways; it must either borrow a lot of money from the outside world or it must have a favourable balance of trade. In other words, it must have foreign money coming in by other channels than borrowing if it is to develop. I do not think it is disputed by anybody that it is better for a new country to have that foreign money coming into its borders through a favourable balance of trade than through borrowing, and so, Mr. Speaker, both in regard to the trade of this country and the tariffs of this country, I feel absolutely confident that the government will receive the full support of the electors because I believe that the electors are more interested than ever in public affairs, are reading more about them and are better posted on them than at any time in the past.

Mr. ELLIOTT: Then why aren't you willing to give them a chance?

Mr. GOBEIL: This government is willing to give them a chance, and they will have full opportunity to decide whom they want to govern during the next four years, but at the same time it is only fair that this government should have the opportunity to pass all the legislation that has been brought down and that was broadcast by the Prime Minister, and my hon. friend knows very well that that legislation cannot be passed and an election held in a month from now. But, Mr. Speaker, I say that this government will have the full support of the people because it is a government of action, and what this country wants now, and more especially the youth of this country, is a government of action.

Mr. ELLIOTT: Yes, not a government of words.

Mr. GOBEIL: My time is nearly up, Mr. Speaker, or I should have liked to mention a few of the bills that have been passed this session, but it is not necessary because my hon. friends know what has been done, although they may not know all that is going to be done. Unless they are absolutely insincere when they speak in this house, it must be that they do not feel the pulse of the people, or they would not have opposed many of the bills which this government has brought down. I will mention the Farmers' Creditors Arrangement Act. That was a good law, and my hon. friends opposite should have realized that since it has been passed it has been very well looked upon and has rendered invaluable service to the farmers of this country although

it is just beginning to operate. When we hear hon. gentlemen opposite making statements about that act such as we heard a few days ago, it simply means that they are not aware of what the electors are thinking or they would not make such statements. Only yesterday a Liberal member of the legislature of the province of Quebec made a speech in the provincial legislature praising the Farmers' Creditors Arrangement Act. That was a Liberal member of the provincial legislature, Mr. Lamoureux, representing the county of Iberville. He said that that law was very advantageous to the farmers of the province of Quebec and to the farmers of Canada generally. I might also mention the marketing act, the amendments to the Farm Loan Act, and the legislation that has been brought down this session, the minimum wage law, the eight hour day law, and so on. Again I repeat, Mr. Speaker, that it is absolutely necessary in order to do justice to this government as well as to the electors of this country that all the legislation that has been brought down by this government should be passed before there is an appeal to the people. It is also necessary that everyone entitled to vote should be given the opportunity of voting at the next elections. The electors should have the opportunity of forming an opinion as to the effect of the legislation passed by the present government and I do not think this government should be in a hurry to have the elections. Personally, I am not.

Mr. CHARLES BELEC (Pontiac): Mr. Speaker, I should like to associate myself with other hon. members in congratulating our exceedingly able Minister of Finance (Mr. Rhodes) upon the presentation of such a splendid budget. This budget has been described as a poor man's budget and I think that is the proper description, because it goes further than any other budget in the history of Canada in redistributing the wealth of the country and in placing the burden of taxes upon those most able to pay them. I want to emphasize the fact that the reform policies started last year by this government have helped the country through these very trying times. I should like to outline a few of the achievements of the Bennett government.

This government introduced the Farmers' Creditors Arrangement Act which has saved and will save thousands of farmers from the foreclosure of the mortgages against their properties. Many farmers in the county which I have the honour to represent have already taken advantage of this legislation. By means of the official receivers who have been appointed an effort is being made to arrange for settlements between the farmers and their creditors. It has been felt essential that any feeling of distrust which may now exist between the two groups should be dissipated and that simple machinery has been constructed for the purpose of providing a better understanding between the farmer and his creditors and to bring about a feeling of renewed hope in the rural sections of Canada.

The Bennett government passed the Natural Products Marketing Act which has been of great assistance in raising the prices of agricultural products. I would remind hon. members who come from rural constituencies that the value of our field crops produced in 1934 was $544,975,000, a gain of $91,377,000 over 1933. It might be interesting to note that we are again exporting cattle to the United States.

It must be admitted that conditions in agriculture still leave much to be desired but a decided improvement has been effected in the last year and I am sure it will continue. Enhanced world prices have reflected the increasing prosperity and greater purchasing power of the important centres of the world. This fact greatly benefited Canadian producers last year and should be of benefit again in 1935. Last year an increase of twelve cents per bushel occurred in the price of wheat as compared with the prices for the preceding year and this added nearly $32,840,000 to the value of our wheat crop. There was a similar increase from twenty-five cents a bushel in 1933 to thirty-three cents a bushel in 1934 in the average price of oats which netted the Canadian farmer an additional $25,197,000. More than $10,000,000 was added to the value of the barley crop and over $500,000 was added to the value of the rye crop because of enhanced world prices.

Not only has the government endeavoured to aid the farmer by such legislation as the marketing act and the Farmers' Creditors Arrangement Act but it has passed various amendments to the Canadian Farm Loan Act which are designed to provide agricultural credit at low rates. The government has also taken action to promote a general reduction of interest rates. These things have helped the farmer and that is why I am proud to support the Bennett government, an administration of achievement.

I should like to recount some further achievements of this government during five of the most trying years in the history of our country. This government has spent $175,000,000 in relief, for public works, to assist the provinces and the municipalities, to

build a trans-Canada highway and maintain relief camps. It is with considerable regret that I report that relief works expenditures in my county were curtailed because I could not secure the cooperation of the two local provincial members, Mr. W. R. McDonald and J. E. Piché. In 1933 I advocated the construction of the Sheenboro highway and could have secured an appropriation from this government for that purpose. However, the two provincial members would not join me in getting the Taschereau government to help to build a road which would have provided a new means of communication with the north country. Not only would the building of this highway have provided work but it would have been an all-Quebec road. At present we must leave our province and reach our rich mining centres by way of Ontario. I am sure there are many hon. members on both sides of the house who do not realize just what the building of this road would have meant to this particular district. On May 11 of last year I placed on Hansard the whole situation with regard to this highway and how the county of Pontiac had lost this means of communication because of lack of cooperation by the provincial members. I place the blame for this road not being built squarely upon the Taschereau government and its two lieutenants in my county. I would like to have these two gentlemen look up Hansard of March 22, 1934, and read the following remarks of the Minister of Labour (Mr. Gordon) with respect to this highway. He said:

As far as the trans-Canada highway is concerned I do not think the hon. member wants to be understood as saying that in his judgment the trans-Canada highway should go up to Senneterre and out to Manitoba in that direction. And I do not think he means that the road from Sheenboro to connect with Kipawa in Quebec is not being built because of any neglect on the part of the dominion government, because the fact is we have received no schedule and no request for any contribution to that road which would connect with the Ontario roads passing through Rouyn down to Ottawa and Montreal. The Sheenboro-Kipawa-Ville Marie road is the one break which has necessitated the people in the north end of Pontiac and the Rouyn mining country coming down to Montreal and Toronto by the Ferguson highway in Ontario. I do not think the hon. member wants to be understood as meaning that the province of Quebec has given the lead to Ontario as far as opening up that part of northern Quebec is concerned, as compared with the efforts of the provincial government of Ontario in opening up roads in Ontario, which has been going on steadily and to an increasing extent each year. The Ferguson highway has been the outlet to the front, both Toronto and Montreal, for all of that north part of Pontiac to the present time, and still is as far as vehicular and motor traffic is concerned.

Let me tell the house that the government has preserved the credit not only of this dominion but of the provinces and the railways as well, and it has looked after 300,000 people and is taking care of about 150,000 in the drought areas of Saskatchewan. Furthermore, the government negotiated the British empire trade agreements which gave Canadian farmers an assured market in Great Britain. This all tended to increase the prices of farm products. These trade agreements, it is said, have saved Canada from bankruptcy. Let me give the trade figures for 1934. Canada's trade in the calendar year 1934 exceeded the billion dollar mark for the first time since 1931; the total was $1,173,373,000 compared with $939,000,000 in 1933; in 1932 it was $954,-454,000; in 1931 it was $1,245,341,000. This was an increase of 24·9 per cent over 1933 and 22 per cent over 1932.

Domestic exports increased from $493,-808,000 in 1932 to $531,751,000 in 1933 and $652,887,000 in 1934, a gain of 22·8 per cent over 1933 and 32·2 per cent over 1932. Domestic exports were $605,336,000 in 1931, so that 1934 showed a gain of 7·2 per cent over that year.

I do not think I have emphasized sufficiently what the government has done for the farmer. The measures which have been enacted and to which I have made reference have been of the most vital importance to the agriculturist. The government has helped him in every way—by reducing interest rates and in other ways. In all the nine years of Liberal government no efforts were made to reduce interest charges.

The Prime Minister's reform program has been received with great enthusiasm by the people of my county. The five major pieces of legislation presented were unemployment insurance, the eight hour day bill, the six day week, minimum wages and the economic council. Besides, there is the price spreads committee's report, which will mean new legislation to protect the consumer and primary producer against unfair trading practices and to regulate concentration in production and distribution. There will also be measures to protect the investing public against exploitation. This is a very important question in my riding.

There was a tax on gold and this will be abolished at the end of next May. Of this action I heartily approve. My county, the county of Pontiac, produced 390,052 ounces of gold in 1934, valued at $13,456,749. The silver produced reached a total of 455,021 ounces, valued at $215,957. Copper production amounted to 69,057,942 pounds, valued at $5,123,616. It will be seen therefore that the

removal of the tax on gold will mean that our great mining industry will advance by leaps and bounds in the coming year. There will be no restrictions, but this industry, which has done so much to stabilize distressed conditions during the depression, will continue to new heights of prosperity. In my county there is no depression in the mining centres. I wish the other parts of Pontiac could be equally prosperous.

In the budget there is also a reduction in the taxes and duties on liquor, and this will reduce the price about 50 cents a quart. I think we all agree that the price of liquor has been too high, and the reduction in the tax will lower the price and thus drive the bootlegger and smuggler out of business.

The budget, as I see it, is essentially a poor man's budget and is therefore worthy of support and high commendation Let me say in conclusion that the county which I am proud to represent is diversified in its wealth. It has gold mines, silver mines and copper mines, it is the cradle of the lumbering industry, and possesses some of the finest farms in Canada. We have not escaped the plague of distress and unemployment, but the lumbering industry I am glad to say seems to be advancing after having been at a standstill for the last four years. In order to help the unemployed among my constituents I have done everything in my power to initiate public works. In this connection I would reiterate the fact that the Bennett government has expended more than $1,000,000 in Pontiac county since 1930 as compared with $534,090 spent in the county in the nine years of the Liberal administration. I am amazed that our opponents should be so anxious to hurry the election, especially when our leader (Mr. Bennett) is recovering after a serious illness. I am also amazed that our Liberal friends, while opposing our reform measures, vote for them just the same. Our Liberal friends want an early election. When the time comes they will realize that the people of Canada want a government of action and not one of laissez-faire. I am certain that the Prime Minister will be given a mandate to continue his progressive administration for the benefit of all classes of the people.

On motion of Mr. Beynon the debate was adjourned.

At six o'clock the house took recess.

[Mr. Belec.]

After Recess

The house resumed at eight o'clock.

PRIVATE BILLS

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 28, for the relief of Mary Wynifred Bayford Bennett.—Mr. Jacobs.

Bill No. 29, for the relief of Lillian Gurden McIntyre.—Mr. White (Mount Royal).

Bill No. 30, for the relief of Minnie Elizabeth Lyons Dafoe.—Mr. Jacobs.

Bill No. 31, for the relief of Trevor Eardley-Wilmot.—Mr. Bell (St. Antoine).

Bill No. 34, for the relief of Marie Philomene Florence Maher McCaffrey.—Mr. Heaps.

Bill No. 35, for the relief of Stuart Lewis Ralph Henderson.—Mr. Moore (Châteauguay-Huntingdon).

Bill No. 36, for the relief of Charles Henry Campbell.—Mr. White (Mount Royal).

Bill No. 37, for the relief of Maria Elphinstone Hastie Kinnon.—Mr. Belle (St. Antoine).

SECOND READINGS

Bill No. 33, for the relief of Ray Leitman Aronoff.—Mr. Garland (Carleton).—E.F.

Bill No. 44, for the relief of Agnes Mabel Potter Brockwell.—Mr. Garland (Carleton).—E.F.

Bill No. 45, for the relief of John Henry Ley.—Mr. Garland (Carleton).

SUPPLY

NATIONAL DEFENCE

The house in committee of supply, Mr. Morand in the chair.

Salaries, $402,692; contingencies, $45,948.

Mr. MacINNIS: When adjournment came on Friday last I was discussing under this item the unemployment relief camps. I had stated that while in the regulations the foreman in the camp was asked to have some of the other persons in charge with him when interviewing the men on matters of discipline, the same right was not allowed to the men in the camps. I think the minister did not agree with me on that point, and I would like now to ask him whether he can assure me that a man when appearing before the foreman or anyone in charge is entitled to have someone with him if he so wishes.

Hon. GROTE STIRLING (Minister of National Defence): I am not aware of any regulation which prevents a man being

accompanied by a companion when he wishes to discuss a complaint he wants to make to the foreman.

Mr. MacINNIS: Is there any regulation that allows this? As the matter stands now and as it is definitely stated in the regulations, anything savouring of combination in the presentation of grievances is disallowed; the rules are very emphatic on that point. One of the first things that must be done, if we are to administer the camps with any degree of satisfaction to the men in them, is that they should be allowed to organize in such a way that they can properly present their grievances to the foreman. Moreover, after they are discharged from the camp they are never called before any board or committee to state their case. The superintendent, if the case comes before him, gets only the foreman's side of it; he never gets the man's side

Mr. STIRLING: Can my hon. friend prove that?

Mr. MacINNIS: I have been asked repeatedly to take up cases of that kind and I have always been met with the same story. I have before me a report that was prepared a year ago by a committee appointed by the Vancouver council of social agencies. I doubt very much if there are on that committee any members who hold the same point of view as I do in regard to social and economic problems. However, this report goes some way towards substantiating what I have said and also favours some of the things that I have advocated. Before reading the report, I will give the names of those who were on the committee that prepared the report. It is signed by the following:

A. B. Carey,
Chairman.
Reverend G. H. Wilson,
Vice-Chairman.
Rural Dean in the Diocese of
New Westminster

The committee is composed of the following:

O. D. Austin, Young Men's Christian Association.
The Rev. Willard Brewing, D.D., St. Andrews-Wesley United Church.
The Rev. T. C. Colwell, Social Worker, Central City Mission.
The Rev. W. Cooper, St. James Anglican Church.
J. H. Corbett, Superintendent, Vancouver Men's Institute.
H. M. Cribb, Board Member, Central City Mission.
J. H. T. Falk, Executive Director, Vancouver Council of Social Agencies.
The Rev. N. A. Harkness, Board Member, Central City Mission.
The Rev. J. D. Hobden, Executive Secretary, John Howard Society.
R. J. Lecky, Director of the Vancouver Men's Institute.
Major Victor MacLean, Officer Commanding Ex-service men's Billets.
W. E. Pinchin, Chairman of Board of Directors of the Central City Mission.
The Rev. Andrew Roddan, First United Church.

And the secretary:

F. Ivor Jackson, Staff Member, Vancouver Council of Social Agencies.

This committee was appointed by the council of social agencies to investigate the condition of single unemployed men in camps and single unemployed men in the cities. I am not going to read that part of the report covering men in the cities as it is not particularly germane to the point under discussion. First of all, the committee gives the agreement between the Department of National Defence and I presume the provincial government. This is signed by A. McNaughton, Major General, C.G.S., and it reads:

Men in Camp

Between June 1 and June 15, 1933, the transfer of judisdiction from the Fordham commission to the Department of Militia and Defence was accomplished and the introductory statement of the policy in administration of the camps is set forth in a Department of Militia and Defence document which reads as follows:—

"As a measure designed to care for single homeless men without present employment and in need of relief the Department of National Defence has been entrusted with the organization and execution of a series of projects on works to the general advantage of Canada which otherwise would not have been undertaken at this time; these will be added to in accordance with the requirements for this form of relief."

In that connection I should like to say that the last time this matter was up I asked for the value of the work done by the men in the camps and was informed by the minister that it amounted to over $6,000,000 during the last year. Therefore in any case these men are paying at least in part, if not altogether, for the relief they are receiving. It is quite probable that the work would not otherwise have been undertaken, but in any case when the country needs that particular work, it will be there. The statement of the agreement continues:

"The conditions under which these works will be carried out are as follows:

"Accommodation, clothing, food and medical care will be provided in kind, and an allowance not exceeding twenty cents per diem for each day worked will be issued in cash.

"Eight hours per day will be worked; Sundays and statutory holidays will be observed; Saturday afternoons may be used for recreation, et cetera.

"Personnel will be free to leave the work to accept other employment offered; they may be discharged 'for cause' and if so discharged will subsequently be ineligible for reemployment under the scheme."

That is one of the conditions for which some remedy must be provided.

"Free transportation will be given from place of engagement and return thereto on discharge—except for misconduct.

"The standard of rations shall be that prescribed for the army.

"No military discipline or training will be instituted; the status of the personnel will remain civilian in all respects.

"Officers in charge of projects are responsible for the care of the men placed under their supervision and it will be their object to ensure that their efficiency—mentally, physically and at their trades—is improved so that when conditions permit they may be returned to the economic life of the country well able to again take up their usual work. To assist in this, educational and instructional classes will be organized; recreation, amusements and games will be arranged; every possible opportunity will be given to men to work at and to become proficient in their own selected trades.

"All concerned are reminded that the funds are limited and that it is desired to care for the maximum possible number of men in need; that the possibility of obtaining additional funds depends to some extent on the value of the work done and, in consequence, that efficient direction and strict economy in all matters are, therefore, of great importance."

A. McNaughton,
Major-General, C.G.S.

The committee finds that the first part of this arrangement has been lived up to by the Department of National Defence, that is in the matter of providing food, clothing and shelter for the men, but that the second part, that is of seeing to the psychological side of the men's lives, has not been lived up to. I will read from the report:

A period of eight months has elapsed since this policy was put into operation, and during that period your committee has kept in close touch with conditions in the camps and the difficulties confronting the administration. It has through direct personal contact with officials administering relief, as well as with men in the camps, obtained a great deal of information which has been carefully considered.

The conclusions arrived at are submitted as suggesting a constructive policy acceptable both to the government and to the men, which whilst practical would not necessitate heavier financial outlay. In general we find that in the matter of accommodation, clothing, food, medical care, work and allowances, the Department of National Defence on behalf of the Dominion of Canada has fulfilled its obligations and carried out its promises and we are particularly impressed with the high standard of living in the camps and the moderate cost of the ration maintenance.

There is, however, a broader and, in the opinion of this committee, a more important aspect to the whole situation which cannot longer be ignored and must in any plan for unemployment relief be recognized as the most important factor in the whole situation—we refer to the maintenance of morale and the recognition by the government that food for the mind is as important as food for the body and that healthy recreation in addition to the daily work is so essential as to need no further emphasis.

I quite appreciate the fact that the present Minister of National Defence has been administering his department for only a short time, and that even if he were anxious to do something towards reorganization he may not have had the time to give the matter the consideration it merits. I find however that speaking in this chamber on Friday evening last the Minister of Pensions and National Health (Mr. Sutherland), formerly Minister of National Defence, made this statement:

If the men are warm, if the clothing provided is good and the food substantial, I do not think there can be anything to complain of.

I wonder if the hon. member ever heard the saying that man cannot live by bread alone. He requires something more than food, shelter and clothing. Animals can get along with limited requirements, but even with respect to animals, if we wish to obtain the best results we must treat them kindly and give them attention. Then, the minister went on to say:

The camps are not permanent; it is not as though the men were going to be there for some time and had to build up some system of rights.

As a matter of fact, so far as we can see at the present time the camps are permanent. That is one of the difficulties. The men feel when they go to the camps that there should be written over the doors of the camps the words: All hope abandon ye who enter here. There is no hope for the man going into a camp to-day; he may be in there for the next five years or possibly for the rest of his life. The minister cannot say, the government cannot say, and no hon. member in this chamber can say when the camps may be abolished. Continuing the report says:

It is our considered opinion that there are classes of single unemployed men for whom more or less permanent provision will have to be made and that failure to recognize this fact and plan accordingly will have serious effects on the whole situation. The presence of 5,000 single men in the city of Vancouver registered as unfit and homeless seems to justify this statement.

We believe that the whole situation should be surveyed throughout the dominion by a commission competent by reason of the experience of its personnel to advise the government as to the policy to be pursued.

When we were advocating a committee to investigate camps I was not aware that this report existed. I believe it goes considerably

farther than the suggestions we made, and indicates that the whole governmental policy should be considered. The report continues:

The main points we desire to emphasize are as follows:

(a) A work and wages scheme in lieu of the allowance system.

(b) Coordination between the government employment services and the camp authorities.

(c) Organization of recreational activities.

(d) Regular periods of leave.

(e) Segregation of age and youth within the camps.

(f) Welfare committees of the men elected by the men in each camp.

(g) The necessity for suitable personnel.

Your committee has urged in the past the necessity for a work and wages scheme and is still of the opinion that this would largely diminish the present unrest in the camps, without extra cost to the government.

There are many problems due to the present basis of administration, connected with clothing, tobacco and snuff issues, and transportation which we think could be obviated by a wages system, and, most important of all, we think that such a system would help to preserve a man's self respect.

To arrive at a satisfactory basis of pay, it is suggested that men should be required to work for a sufficient number of hours each week to enable them to earn at the minimum wage rate for unskilled labour enough to pay for their board, clothing, lodging and issues, an actual cost basis plus a cash surplus of not less than twenty cents per working day.

The committee feel that when skilled tradesmen or mechanics are used at their trades, the rate of pay should be increased and the hours reduced if necessary.

On several occasions complaints have been made to me, more particularly during the last session of parliament, to the effect that the department was using men skilled in various trades and giving them relief camp allowance pay.

Then a section of the report is headed "Coordination between the government employment services and the camp authorities." I shall not read the suggestions in detail, but would state briefly that the committee recommended very close coordination between the government employment service and the camps, because the men in the camps are away from the cities and for that reason are not in a position to look for work for themselves. Then the report continues:

There is no organization of games and recreation; books and magazines are circulated regularly to all camps, but this does not suffice, and proper supplies of recreational equipment such as footballs, soft balls, fishing gear, etc., should be provided. We are of the opinion that a sum of $4,000 annually would be sufficient for the men's needs in this respect and would go far towards preserving the morale of both old and young. Any expenditure of this character should be very carefully laid out; as there are many articles such as softball bats and cricket bats which can be made by the men themselves. The camp visitors for the Church Cooperative Camp Council have reported the pleasure derived by the men in the camps and their gratitude for issues of sporting goods which were distributed in fifty camps of this province during the summer of 1933 from private funds, and this committee regards the recognition of this need by the government as one of the most urgent problems in the administration of camp relief.

A man sent to camp tends to lose hope and to become resigned to his fate. He feels that he is forgotten as "disposed of." Before he reaches this mental state and as an outlet for his dissatisfaction he makes trouble and is a fruitful field for "red" propaganda. If a short period of leave were granted every two months to the nearest town, conditional on good behaviour, despondency would be diminished and the men would have something to look forward to. Periodic leave is necessary for the maintenance of morale.

More consideration might be given by the camp management to the effect of unemployment and isolation in camp on the mental life of the men.

As a matter of fact may I say that my experience was that this factor was overlooked in the camps, the management feeling that if they supplied reasonably good food and sufficient clothing to keep the men warm, that was all they were required to do. I quote further:

Segregation of youth and age within the camp. In certain of the camp areas it has been stated that the blending of age and youth has been adopted with the idea that the older men would have a steadying effect on the younger. This is, in the opinion of the committee, an unwise policy.

I am told, but I have no proof of it, that there are rather unfavourable moral effects arising from the mixing of old and young men in these camps. Continuing:

Welfare committees of the men elected by the men in each camp.

That is what I would like particularly to impress upon the minister because I feel quite satisfied that no group of self respecting men can submit to discipline and accept orders in regard to matters over which they have absolutely no control and in which their opinion is not asked. Continuing to quote:

Committees or organizations of men within the camp areas are not officially recognized as they are considered to be subversive of discipline and order. Committees, however, do operate within the camp areas with or without tacit approval, and we ask the question: Is it better to have a properly constituted camp committee operating in the open, or a bush committee acting under a sense of grievance?

We recommend that more trust and confidence be placed in the men and that grievances are better ventilated in the open than suppressed. It should not be a difficult matter to devise a scheme whereby grievances may be heard, examined and dealt with in a satisfactory manner.

I suggest to the minister that he give this particular section of the report his very serious consideration, as I am convinced that the carrying out of these recommendations would overcome many of the difficulties that now exist in the camps. I am convinced of that because I have worked with men and I know men, and I know how easy it is to get their cooperation when you go half way to meet them. Again quoting from the report.

The necessity for suitable personnel. We are of the opinion that the whole atmosphere of a camp depends on the personality of the camp foreman.

Your committee knows one camp where the foreman issues no restrictive orders, where the men have supported him in refusing to allow communists to come into the camp, and where no "bush" committee exists.

In this camp the foreman leads his men in recreational activities, plays with them; he listens to their requests even though unable to grant them. In this camp there has been little or no trouble at any time.

This foreman has proved under two systems of relief, provincial and dominion, over a long period in one camp, that the human factor is all-important, and that men can be controlled and even made happy in adverse circumstances by the exercise of humanity, fellowship and tact.

We submit that what is needed in the camps is a positive program of work and welfare activities for the men in preference to a list of prohibitive orders.

We think that camp foremen as well as supervisors should be chosen as far as possible from men who have proved their worth in subordinate positions in camp administration.

This is along the line I suggested to the minister the other evening, that the man who makes a good foreman in a construction camp does not necessarily make a good foreman in a camp of this kind, which requires a different type of man altogether. Again quoting from the report:

Men expelled from camp. Under the regulations laid down by the Department of Militia and Defence a man may be summarily discharged for cause, and neither the department nor any other relief authority appears to have any further responsibility for his care.

Furthermore, it appears that there is no court of appeal to whom such a man may refer his case for reconsideration except this same department.

The committee is of opinion, in view of the possibility of unfair action by a camp foreman being sustained by his higher authority, that there should be set up an independent board to review such disciplinary action and make a final judgment on such cases.

I would also ask the minister to give his attention to that. I shall pass over the next part of the report, which refers largely to men in the cities, and come to the two concluding paragraphs:

[Mr. MacInnis.]

In conclusion, this committee desires to place on record its considered opinion that a commission representative of the governments concerned should be appointed to coordinate the work of the various relief authorities at present caring for destitute persons, both married and single, as only by such means can some of the present anomalies and injustices be avoided.

The issues are so vast and so far-reaching in their effects on the men and women of future generations that nothing less than a complete control of the whole field of relief administration can prevent incalculable harm from being done to the moral and physical stamina of the nation.

All of which is respectfully submitted.

Then follow the names of the committee which I have already given. This I believe is a very reasonable report. It has been issued for over a year now, since March, 1934, and yet the conditions in the camps, as far as the subject matter of this report is concerned, are worse than they were a year ago. I know that you cannot abolish these camps in a day or at a moment's notice, but until such time as the camps can be abolished I think this government and parliament should not rest until they have made conditions in the camps where the men now are, and may be for some considerable time, just as good as they can possibly be made. I hope the minister will give this matter his consideration and be able to report in the very near future that he has found it feasible to put some of these long-needed reforms into effect.

Mr. STIRLING: Mr. Chairman, I cannot say that I have in front of me the report from which the hon. member has been reading, but if it has been received in the department it certainly has been considered and considered most carefully.

I notice that one appeal the hon. member made was that we should keep in close touch with the Employment Service of Canada. I may inform him that we receive the men into the camps through the agency of the Employment Service of Canada.

My hon. friend read out a list of names of the people on the committee that produced this report, and I noticed there were several clergymen thereon. In the course of my remarks I shall draw the committee's attention to the report of another clergyman who has spent the last two and a half years travelling up and down British Columbia visiting these camps, because I think the committee may be interested in hearing his account of what he finds.

On a previous occasion when this matter was before the committee several statements were made by hon. members which I undertook to

investigate. One of them was made by the hon. member who has just spoken (Mr. MacInnis). He referred to the case of a cook in a camp who quit when told that he was exceeding the per capita allowance and instructed to cut down, and said that this cook had made reference to a still being operated by the supervisory staff, using camp supplies.

Mr. MacINNIS: May I correct the minister? I did not say this cook referred to it. I said that a cook came in after this man quit, and the men in the camp found the still. That had no relation to the first cook at all.

Mr. STIRLING: Then it was two different people, one cook who was discharged for having given the men too much to eat, and another who made a statement with regard to a still in the camp.

Mr. MacINNIS: No, it was the men themselves who made the statement in regard to the still.

Mr. STIRLING: Well, a man made a statement with regard to a still.

Sir EUGENE FISET: Amen.

Mr. STIRLING: As these charges were vague I wrote to the hon. member a day or so after the incident was mentioned in the committee and asked him if he would be good enough to give me closer information so that the charges could be investigated. On March 7 the hon. member replied that the statement had been made by one of the relief camp workers by the name of Cumber. The hon. member went on to say that regardless of whether or not the statements were true, they were of such a nature in his opinion as to warrant an investigation. An investigation was made and it was found that this man Cumber has something of a record in British Columbia. He first came to the attention of the department when a request was received from Robert Macnicol, secretary of the provincial command, Canadian legion, under date of December 5, 1934, that Cumber should be reinstated. The case was fully investigated at that time and on January 4 the following report was made:

He was in project 25 from 23rd August, 1933, to 22nd September, 1933, when he was discharged for refusing to work. A week later he was sent to camp 227 where he stayed from 1933 to 7th March, 1934. While in camp 227 he was prominent in three strikes, but worked in the background, not giving the foreman of the camp any specific grounds to discharge him until he finally came into the open in a strike on 7th March, 1934, when he was discharged as one of the ringleaders. The activities of the leaders in this strike unfortunately resulted in the discharge of between 30 to 40 men. The superintendent of the group to which camp 227 belong considers Cumber is one of the most dangerous types of agitators, and were he readmitted to any camp he would make trouble by his clever undercover methods.

After his discharge on 7th March, 1934, Cumber applied for reinstatement twice, but his applications were not approved. His second application was made on 23rd October, 1934, and this headquarters made further enquiries into his case before refusing his application again. However, Cumber did not wait for a reply but applied for relief under an assumed name (E. Tuckett) at the same time making a false statutory declaration that he had not previously been in any relief camp, and was sent to camp 209 on 6th November, 1934, and was later recognized as Cumber. Apparently he realized he had been recognized for he left at his own request on 20th November. Action is being taken to institute proceedings against him for obtaining relief by false pretences.

In the March 7 issue of the Relief Camp Worker appeared the following:

Acting Secretary out on bail. Huge campaign to bring pressure on the authorities launched.

Vancouver, March 5th.—Comrade E. Cumber, the acting secretary of the union, appeared in court yesterday at New Westminster where he had been transferred from Hope. He is charged with obtaining relief under an assumed name.

It appeared to me to be useless to endeavour to get any more information that could be relied upon from that source, and the investigations were discontinued. I think it is quite evident to hon. members of the committee that agitators of this description exist in all these camps.

Sir EUGENE FISET: Not all.

Mr. STIRLING: With very few exceptions.

Sir EUGENE FISET: Except Quebec.

Mr. STIRLING: I think I will be able to show the hon. member that they are pretty widely spread. They appear to exist only for the purpose of agitating and it is interesting to note that in communication after communication appears the statement that the majority of men in the camps do not want to be bothered with the agitators. They want to be allowed to continue to do what work they can do and on frequent occasions they have intimated to the agitators that their presence in the camp was not wanted. Considerable correspondence has been received on this matter by myself and by hon. members. Different citizens who have paid voluntary visits to these camps inform us that the conditions are good. They state that they do not consider the complaint of the agitators that grievances should be handled by a committee is a valid one. The

statement has been made on the last two occasions on which this matter was discussed, particularly by the hon. member for Vancouver South (Mr. MacInnis), that these men would not make complaints because they dreaded being discharged, but I submit that this statement is not founded on fact. There are a number of instances on record where individuals in the different camps across Canada have made complaints to the foremen. Some of these complaints have been carried to the superintendent but they have all been handled in a sympathetic and tactful manner. Time and time again certain things have been adjusted and methods have been altered to the entire satisfaction of the man complaining. But the agitators still exist.

I should like to direct the attention of the committee to a statement which appeared in The British Columbian of March 13. The Reverend G. H. Finlay has devoted himself for the last two and a half years to the spiritual needs of these camps. He has visited many of the camps and has made short stays in some of them. The article reads:

In the two and a half years I have been visiting the camps, I have never found the food served disappointing, either in quantity or quality, despite whatever criticisms has been offered by speakers or wild statements appearing in the press.

The men in the camps are well off. The camps are comfortable, sanitary conditions are well looked after, there is first aid equipment and each camp is visited by a medical man twice a week. In fact the provision made for the men in the camps is immensely better than for many families on relief in New Westminster and Vancouver.

Men accommodated in the relief camps in the Fraser Valley, Mr. Finlay said, come from every province in Canada, with scores of others from the British Isles. They represent a cross-section of the average citizenship of British Columbia or any other part of Canada. The troublesome element is in just about the same proportion as in a city of a similar number of inhabitants.

The relief camps were not started with the idea that they were a solution of the present economic difficulties. They are not permanent, but are just a "port in a storm", a temporary shelter, established to save men from dying in the ditch and to give them a chance to take care of their health.

There is dissatisfaction in the camps. But the dissatisfaction is purely a mental trouble, caused through discontent and the lack of any apparent hope for the future and the inability of the men to find an outlet for their ambitions. The dissatisfaction is not with the camps themselves, but with the system which brought the camps into being.

The work the men are called upon to perform is merely exercise, Mr. Finlay said. No attempt is made by the officers in charge "to push them". Speaking of the officials he said:

"I have never seen a better class of men than those in charge of the Fraser Valley camps. They are men who know how to handle men and some are more like fathers than bosses."

[Mr. Stirling.]

Referring to the malcontents, Mr. Finlay asserted that much of the trouble in the camps was caused by only two per cent of the total number of men accommodated. This minority believes that revolution is the only solution of the present difficulties and are determined to make the camps impossible. They refuse to work and no camp officials can tolerate them under their care; hence the blacklist. It is impossible for the average citizen to form an opinion on any debatable question that arises in the camps unless both sides are heard. In the past, Mr. Finlay said, only the disgruntled men have been heard, as the officials do not make a practice of stating their side of the case.

"Any stories of downright unfairness or ill-treatment have been grossly exaggerated and in many cases are wholly untrue," the speaker declared.

When a strike was called during the winter, only fifteen per cent of the men in the valley camps participated. The remaining eighty-five per cent, although discontented over economic conditions, had no complaint about the camps and refused to take part in the strike.

The statements made by this reverend gentleman and published in The British Columbian are statements which could well have been made by officials of the department. But surely they come with added force to hon. members of this committee as coming from a clergyman who has made it his duty to visit these camps for the purpose of studying the welfare of the men in the camps and so reporting. There is no question that the agitators exist. I think it would be desirable for me to draw the committee's attention to one or two pieces of information out of many which have come into the department in recent weeks.

I have under my hand a copy of some propaganda which has been circulated through the camps by subversive organizations whose one object is the destruction of law and order in this country, and who see, in the breaking up of the camps and the return of the men to the conditions of misery in the larger centres of population, a means through which their destructive purpose may be achieved. This is a copy of a sheet published in Calgary, head office given, the name of the secretary given, dated March 3. It is headed: "Relief camp workers' union, Alberta section." It was picked up in one of the Ontario camps. It begins:

To all workers in relief camps.

I will not read it all, but the first sentence reads:

The time has come to take some action to improve the position of the single unemployed workers.

It goes on with three or four inches like that, and then comes to the setting up of the camp committees:

On arrival in camp it should be the duty of all workers who realize the need of organization to set up a camp committee, in case

one does not exist. This committee would comprise a small group of active workers. They would make a survey of camp conditions, note the immediate grievances and the attitude of the men toward organization. After a plan of work is decided upon, the committee can draw others around it.

And so on. That apparently is circulating in the camps throughout Canada. This circular describes the method of organization of these camp committees. The camp committees desire to find out which of the men are useful soil in which agitation can be seeded so that at a given time when the opportunity is ripe they may act in a concerted fashion in the direction they desire to go. There is nothing particularly new about this method; for I would remind hon. members that it is extraordinarily similar to other documents which we read in 1917 at the time of the breakup of Russia, and they were used again in extraordinary similarity at the time the German fleet went to pieces and bloodshed ensued. Further than that, there is evidence in the department of a widespread and well organized plot, that on a given date in the near future these subversive organizations will attempt the destruction of the camps throughout Canada. Needless to say the necessary steps to safeguard against any such contingency have been taken.

It is interesting to note that definite instructions have been sent by the organizations to their agents in our camps, that when the uprising takes place it will be possible to accomplish their end. I have in my hand a copy of the Relief Camp Worker, which was published on March 19 and is the organ of the relief camp workers' union, British Columbia district. The address of its office in Vancouver is printed and at the top of the page is "Conference Number" and at the bottom of the page, "Not a man left in camp, April 4." Again, I will not read it; there is a good deal of it—four pages of it. On the front page I note that it says:

> On April 4 British Columbia and Alberta will be the scene of the greatest attempt by the camp workers to emancipate themselves from the yoke that predominated in the dim past.

And lower down:

> Let us go forward in the coming struggle with the only weapon that gets results; that is, organized militant action; no dallying with these political heelers whose promises are not worth the paper they are written on, but forward with a determination to show the people of B.C. that the camps are a menace to the youth.

Further on:

> Start by building such a solid organization on a district basis that there will not be a man left on April 4. Cooperate with your district organizer and look to your mail contract.

I think that is evidence sufficient to demonstrate that we are face to face with a definite organization of men who are desirous of raising trouble so considerable that it may be handled but with difficulty. I need not repeat the arrangements under which the dominion government came into this relief picture; I have stressed them again and again. When the dominion government came into it, it was for the purpose of assisting the provinces to handle a certain load which they had to carry, and it was arranged that the Department of National Defence should be given the task of carrying out the work. The reason that was done was that under the Department of National Defence Canada is divided into certain districts. In each of these districts there is a certain organization including engineer services. There are store services and supply services. It was not necessary therefore to set up a whole piece of new machinery throughout Canada to carry out this rather extensive piece of work, and so it was handed to the Department of National Defence. That department has carried it out, always with that idea in view, that we were there to give the assistance laid down by agreement with the provinces in connection with work arranged with the provinces and with machinery lent by the provinces, in order to give food, shelter and certain other things to the single, homeless unemployed in need of relief and who were physically fit.

Certain criticism was made—rather strong criticism—on the last occasion these estimates were being discussed, of the wording of certain regulations. But let me remind the committee that regulations are enacted for the purpose of handling the work carried out in these camps. The law abiding man in the camp does not fall foul of the regulations. If he has complaints to make he makes them and they are handled to the best of their ability by the several ranges of authority, from foreman up to headquarters. But as we know that we are dealing with agitators and as we know that we have to make arrangements that law and order shall be preserved not only in the camps but in the countryside, it is necessary that regulations be formulated to direct the foremen and superintendents how to handle anything in the nature of roughness or revolution which may crop up. I have to assure hon. members of the committee that we have knowledge what I have read here is actually extant in our

midst to-day, and proper regulations and arrangements have been made to cope with the difficulty.

Mr. MacINNIS: After I made the statement about the evidence given in regard to the still in the camp, the minister wrote to me asking for further information. I gave him that information, furnished him with the name of the person who made the statement, and described the circumstances in which the statement was made. I now find that he tracked down the individual who made the statement but did not track down or try to track down the still or those who were operating it. The reason he gave for not doing that was that the man was supposed to be an agitator. Evidently everyone who disagrees with conditions in the camp is an agitator. But let me tell the members of the committee that the world owes a great deal to agitators. Without agitators there would be no progress, so let us put its proper value on agitation.

The article that the minister read from The British Columbian is not essentially different from the report I read; in fact it is practically the same thing. They agree that conditions in the camps are in some respects all right, but more is required than mere food, clothing and shelter. Then the minister says only two per cent of the men are agitators or have leanings that way. Surely then if there is proper organization in the camp the other ninety-eight per cent will not follow the misguided two per cent. The fact is that there is no agitator but injustice. Do away with injustice and agitators will find nothing to thrive on. I have information in regard to the agitation that was carried on in the summer of 1930 before this government came into office, what was said about the government of that day, comparing the present leader of the opposition (Mr. Mackenzie King) to Judas. Who organized the unemployed in Regina?

Mr. GARLAND (Bow River): Who referred to him as Judas?

Mr. MacINNIS: The present Prime Minister (Mr. Bennett) when he was an agitator. Who organized the unemployed at Regina and gave them buttons to wear in the lapels of their coats?

Mr. DONNELLY: The Tories.

Mr. MacINNIS: Chickens will come home to roost. Now we are not going to meet this situation by suppression. We should meet it by removing the injustices, and then, as I have said, agitators will find nothing to do.

[Mr. Stirling.]

Some hon. MEMBERS: Carried.

Mr. HEAPS: Before the item carries I should like to ask the minister if it is the policy of his department to send around officers to investigate conditions in the camps, not merely those in British Columbia but in other parts of the dominion. Also, assuming these investigators are making rounds of the camps, whether their reports are submitted to his department, and if he has any such reports with him at the present time.

Mr. STIRLING: Officials of the department are constantly travelling around to the camps. I have not any collected reports here. Their reports come in from time to time and close check is kept on them. But as Canada is divided into districts the reports are made to district headquarters, which in turn report to the department. There is no book of reports like this that I can refer to, but the reports are continually coming before us.

Mr. HEAPS: Has the department made any investigation of the camp at Lac Seul?

Mr. STIRLING: Yes, there have been rather extensive reports on Lac Seul.

Mr. HEAPS: I would like some information in regard to conditions in that camp. I have had complaints in regard to the inefficiency of the whole administration there. I would like to know the total cost of the work done in that camp and also something in regard to what has been accomplished.

Mr. STIRLING: My information is that up to some months ago there was a considerable amount of trouble and disaffection at Lac Seul, but for the past five or six months the camp has quieted down to a very considerable extent, and since I have been in this position I have not had reports of any unfortunate happenings at Lac Seul.

Mr. HEAPS: Could the minister inform the committee what the official reports were in regard to the cause of the dissatisfaction and trouble in that camp?

Mr. STIRLING: Total expenditures to September 13, 1934, were $664,373. I am not in a position at the moment to answer my hon. friend's question, but I shall be glad to report to him by letter.

Mr. HEAPS: My information which has come to me from more than one source, is that this is a most extravagantly conducted camp, and that the work, although done by the cheapest labour available, could have been done for a very small proportion of the amount that has been spent by the department. The

reports I had, which came from a reliable source, included for example the statement that four carloads of beef were destroyed; they had been there so long that they were totally unfit for human consumption. Does the minister know anything in regard to that?

Mr. STIRLING: No, I cannot corroborate or deny that statement, but it certainly will be looked into. We must remember that Lac Seul is an isolated place. The work was undertaken in accordance with the views of both province and dominion, to achieve a certain purpose, the clearing of the shore at the present water level of Lac Seul and to the height to which the water will rise. It will be a feeder for a future power plant, a work that will be of advantage to that part of Canada at a later day. If men are placed in camp in an isolated place like that, however desirable the work that may be accomplished, it is probable that it will not be done as economically as if it were close to centres of supply. I think I can meet the contention of the hon. member with regard to enormous extravagance, and I shall be happy to do so if he wishes it.

Mr. HEAPS: Can the minister say how much land was cleared there?

Mr. STIRLING: No, I am afraid I have not that detail here.

Mr. HEAPS: How many men are employed at the present time?

Mr. STIRLING: I am reading from the list which I tabled earlier this month. In the Lac Seul camps there were the following labourers on February 28:

Camp—	Number of labourers
Sawmill	147
No. 3	110
No. 4	94
No. 5	105
No. 6	100
No. 10	78
No. 16	36

Mr. HEAPS: Besides clearing land, what other work are these men doing?

Mr. STIRLING: They are clearing the land around the lake.

Mr. HEAPS: What other work are they doing?

Mr. STIRLING: That is the main work—clearing the foreshore.

Mr. HEAPS: So far, then, almost two-thirds of the million dollars has been expended in clearing the land at that point.

Mr. STIRLING: I can describe the work in much greater detail on a later occasion. I could not even tell the hon. member offhand the size of Lac Seul. If it is a big enough lake, the sum is not very large.

Mr. GARLAND (Bow River): Have regulations been passed recently, especially with regard to the relief camp at Trenton, that the men employed there shall be deprived of their twenty cents a day allowance on wet days or days on which they do not work?

Mr. STIRLING:: The regulation hitherto has been that the allowance of twenty cents is paid on days that some work is done.

Mr. GARLAND (Bow River): Only on days that work is done?

Mr. STIRLING: Yes.

Mr. GARLAND (Bow River): In that case may I inquire of the minister why it is called an allowance? Evidently, according to the statement of the minister, it is money paid for work done, but on several occasions he has referred to it as an allowance. I do not suppose there is very much use in pressing these objections, since the minister has declared himself satisfied with the relief camps, their function, operation, the personnel running them, and so forth. I also regret that he has seen fit to class all those who object to conditions in relief camps as agitators. In any representations I have made to him I have been very careful to see that they were based only on facts presented to me by respectable and responsible bodies of citizens, one of them, for example, the Calgary city council. I sincerely trust the minister will not describe that body as inspired by agitators. I also hope he will not suggest that the board of the Vancouver council of social agencies is to be described as a radical, agitating body, or one inspired by motives such as those implied in the letters, pamphlets and statements the minister put on record in the closing part of his remarks. I have had complaints from many sources in regard to these matters, but have refrained from taking up any except official complaints. Interestingly enough, the official complaints registered coincide identically with those presented in this house by other hon. members and all of them ask exactly the same type of redress. They ask first for permission to the men in camps to have their own government, as it were, such as I suggested to the minister is the practice in universities, of course always subject to the general regulations of a superintendent which are necessary for proper procedure. Further, they should have a complaints committee. I would suggest that if the government were

wise, they would go further and inaugurate sports committees. In other words, there would thus be a devolpment of self respect and self government in those camps; that would be the finest protection against the danger that the minister attempted to place before the committee, the danger of organized revolt.

Mr. STIRLING: May I interpose a remark at this point? The hon. member surely does not want to suggest there are not sports committees and social committees in those camps?

Mr. GARLAND (Bow River): All I have to say is this: I read from the regulations. By the way, I may say that I do not hold Brigadier-General D. W. B. Spry responsible for them; they quite clearly emanated from headquarters, but these are the regulations that went out under his signature:

(a) One of the fundamental and most necessary rules for the administration of unemployment relief camps is to forbid anything bearing the appearance of combination to obtain redress of alleged grievances. Appeals for redress by means of any document bearing the signature of more than one complainant, or by organized committees combining to make a complaint are strictly forbidden.

That is quite clear; there can be no dispute about that at all. Furthermore, since that point has been raised again, I would like to know upon what authority even the Department of National Defence, merely because it has the function of operating what is normally a civil camp, a relief camp, has undertaken to take away from those people their civil liberties. Note regulation (f):

No application or complaint should ever be made to the civil power, except through the camp foreman or with his sanction.

Frankly, that is going just a bit too far, as I said the other evening. However I do not want to strain the point or continue this discussion unnecessarily, but I would like to point out to the minister that in the Calgary Albertan of March 23, that is of Saturday last, there appeared the following dispatch:

At its last two meetings Calgary city council has expressed opposition to the relief camp regulations which drew fire in the House of Commons Friday night.

The council passed a motion requesting information on the following four points:

1. Rescind "vicious" regulations regarding appeals to outside sources.
2. Permit group organizations and grievance committees.
3. Send no men to camps which were not fully ready for occupancy.
4. Provide additional recreational facilities.

Organizations opposed to the relief camp principle, and protesting alleged grievances, have called a convention in Calgary April 5.

[Mr. E. J. Garland.]

It is not of much use, but I would again raise my voice in protest against these regulations.

I also ask the minister to take into serious, nay, into more than serious consideration, the effect on character, on morality, on the general fibre of the people in these camps. I have complaints that I intend to send to the minister in writing—they are not the kind that I care to give expression to on the floor of the house—with regard to the moral conditions in those camps, where 'teen-age boys and older men are all mixed up together, where because of distance from centres of population they are separated entirely from the normal enjoyment of an ordinary life. They are not permitted to go into those places for more than two days in, I think, a month. They have therefore no opportunity to hunt for jobs for themselves or to seek relief from the oppressive routine of camp work. I want to be accurate on this point; is it two days a month?

Mr. STIRLING: I think it is two days a month.

Mr. GARLAND (Bow River): I have complaints on that point, and also complaints that the comfort funds, as they call them, in some camps are not being properly administered. I am told the dormitories in the Trenton camp are overcrowded. In the dormitories occupied by the air force men there are only five beds, the men in the employment camp having sixteen. The communication I have before me indicates that sixty-four men on one floor use one bathroom. The correspondent states:

I think that we should receive more assistance in trying to get a job. As it is, the government seems to put every possible obstruction in our way, the chief of which is the limited time allowed for leave. We can only take a maximum of two days. If we go for longer than that we must check out. How can we hitch hike and look for a job in two days from a place as isolated as this? If we check out we have no certainty of getting back. In any case we lose any and all of the provileges and position we may have worked into and up to during our original term. If we return we are set back right at the beginning at the pick and shovel, without any precedence or prestige to our name.

Of course under present conditions I do not know where the poor beggars would find jobs, but still we know that hope springs eternal in the human breast, and I suppose they will continue to drift in the hope that conditions may have improved and that they may have an opportunity to do something.

I have received another complaint to the effect that skilled labour is being paid no more than unskilled labour on relief work. I believe the minister knows this fact. Truck drivers,

mechanics, carpenters, machinists, stenographers and so on are all paid the same, namely twenty cents per day. That is bad enough where there is no comparison possible between that rate of pay and other rates, but unfortunately in the camp at Trenton there is an intermingling between relief project men and air force employees, with the result that anomalies are inescapable. The correspondent states:

> We have seen first class mechanics taken from our ranks to work side by side with air force mechanics for twenty cents a day, while the air force mechanic doing less work and being less skilled received his full stipend. We have had carpenters working for twenty cents a day beside carpenters brought in from outside working for forty cents an hour. Last summer while we were constructing a cement sidewalk from the camp to the village three different systems of relief were in operation side by side; the provincial highway scheme paying twenty-five cents an hour, the municipal scheme paying (I believe) forty cents an hour, and the project gang, doing just as much work as the other two, getting twenty cents a day.

Obviously under those circumstances the minister must not be surprised if there is some dissatisfaction and if indeed there may even be some British citizens there who have enough of the old British spirit in them to resent such treatment and to agitate against it. He continues:

> The twenty cents a day wage and several of the routine and disciplinary injustices inflicted on us are due to the fallacy of calling us unemployed. Obviously when a man works eight hours a day he is no longer unemployed.

They are really in the camps and employed. It may be that they are employed only for their clothing—or part of it—their board and twenty cents a day.

I do wish we could arrive at a solution of this problem. In spite of the minister's endorsation of these regulations I am convinced that in his heart of hearts he does not endorse them. I believe he is as much satisfied as any hon. member in this committee that there has to be an improvement of conditions. Some action must be taken to stimulate the self respect of these men and to help them to hold themselves steady until conditions improve, if ever. I would ask the minister at this stage not to harden his heart against the necessity for speaking strongly about the rigidity of the military discipline originating at headquarters in Ottawa. These people in Ottawa doubtless have their place; the type of man in question is necessary for certain kinds of work, but certainly their work is not that of governing a body of civilians who, through no fault of their own, are placed in a position where at least temporarily they are subject to the Department of National Defence. I suggest that there be a complete relaxation of disciplinarian measures to a degree where these men may be allowed their complaints committee and given greater recreational facilities. The purchase of footballs or softballs would not require a great deal of money, and I believe the government could make the expenditure without endangering its financial standing. I am sure an expenditure of that kind would be appreciated. A little greater cooperation between the superintendent and the men might be recommended by the minister.

Mr. STIRLING: Certainly these matters will be looked into. But the minister who could give a ready answer to the pages of criticism which have been read would have to be a superman. I cannot do it; it is impossible for me to do so. Consequently I am driven to ask this question: Is it quite fair to read stuff of that sort, to reel it off in committee where an answer cannot be made, when it would have been quite possible to hand the information to the minister, in which event he would have had an opportunity to make inquiries? Three or four weeks ago I paid an interesting visit to Trenton upon which occasion I was shown everything. I did not consider that the men were crowded in their dormitories. My very clear recollection is that nothing like the condition described by the hon. member existed, and that nothing like the number of men mentioned by him had to share one bathroom. The air force employees and relief men were not working side by side. There were at least half a dozen carpenters, more electricians and more men in other trades who were receiving the ordinary trade wages obtaining in the neighbourhood, and who were assisted in their operations by the men on the twenty cent allowance. My hon. friend made the statement on the authority of a person who had communicated with him that the men were all jumbled together and that all received an allowance of twenty cents per day. That certainly is not the case at Trenton. However I shall be happy to have the matter looked into and a detailed reply given to the hon. member.

Mr. MULLINS: It happened to be my privilege to go through these camps, and I am at a loss to understand hon. members opposite. If they have never been through relief camps I would advise them to go and observe the conditions. The statement I am about to make can be borne out by the hon. member for Kenora-Rainy River who, I believe, is in his seat. While in his section of the country I visited a camp at Vermilion Bay, and I can

assure hon. members that the conditions in that camp were better than the conditions which existed in Camp Hughes from 1915 to 1918. I would like to tell hon. members opposite that when I entered the cookhouse door I saw a huge pan of doughnuts of the very best quality sitting on the stove and being prepared for supper. The hon. member for Vancouver South took exception to an article I read a short time ago. This evening I should like to make a correction concerning that letter which, on that occasion, I indicated was from a young man in one of the camps. The letter I have before me at this time states:

> You can certainly tell Mr. MacInnis that everything the boy said was perfectly true and I have been away from there six months or more. Apparently after reading Mr. MacInnis's speeches he could never have had much experience with the interior decoration of a bunkhouse. The boy was mistaken in so far as the horse blankets are concerned. They are not horse blankets; they are regulation army issue.
>
> The family said after I came back to Winnipeg that I was spoiled in so far as my eats are concerned. When I read the speeches in there I simply could not stop sending you this letter. I hope you are in the best of health.

I have another letter here from the superintendent of a park that has 650 men in one of these camps; they get nothing but the very best. There must be something wrong with my hon. friends over on the other side of the house. They must be saying these things for some purpose. At the camp at Vermilion, for instance, and I am sure the hon. member for that district will bear me out in this statement, the men are fed the very best, are housed the very best, and are living under the very best conditions. Of course it is a camp; it is not the Royal York hotel or the Chateau Laurier. What do you expect? If it is any information for the hon. gentleman, personally I would turn these men loose and tell them to go out to work. There is plenty of work for them on the land. The farmers in my constituency are asking for them. I just got a letter to-day from a farmer in my constituency who offered one of these men $30 a month. I know that farmer very well, and I know he would treat the man well, but the man stayed with him just one day. He left because the farmer called him for breakfast at six-thirty in the morning. These men are spoiled, and if you keep on pampering them and feeding them with the very best of food, such as the minister gives them, you will never get rid of them. Turn them out and let them work the same as we had to do as pioneers. Those of us who were out west in the early days never got such pampering nor lived under such good conditions. I do not know the object of hon. gentlemen who are making these complaints, but I have my own idea. If they will go into the camps and see the conditions I am sure they will change their minds. I have been through the camps at Vancouver and New Westminster, and I did not see anything to complain of. The hon. member for New Westminster is in his seat, and he knows very well that these men are well fed and that everything is all right. There is nothing wrong in the camps. They are comfortable and everything is of the very best, unless conditions have changed since I visited them not long ago. I certainly would recommend that hon. gentlemen go through the camps and look at them for themselves unbiased, and then I am sure they will come to the same conclusion that I have come to.

Mr. HEAPS: I have a communication dated March 23, 1935, and if the minister will assure me that the person who sent me this letter will not in any way be discriminated against for doing so I shall be glad to hand the communication to the minister. I ask for that assurance, because sending this letter is directly against the regulations of the department.

Mr. STIRLING: I shall be delighted to do what the hon. member suggests.

Mr. HEAPS: On that understanding I will let the minister have the communication. In reply to the hon. member for Marquette, I may say this correspondent states that the meal allowance is seven cents, or twenty-one cents per day for the three meals. I know from my own little experience in providing meals, not exactly in camps, that seven cents will not provide a very sumptuous sort of meal. This man further complains about the diet, and there are other complaints worse than that. One is that they have found in these camps a shortage of food. I do not know whether the shortage of food is due to the insufficiency of the meal allowance of twenty-one cents a day for the men who work in the camps, or whether it is due to a certain amount of pilfering that may be going on in the camp, but this man writes that there is a shortage of sugar, and he believes it is due to the fact that it is taken away in order to make home brew for the camp staff. There have been many complaints along that line. But the most important complaint this man makes is that there is a smouldering resentment against what is termed the slave conditions in the camp. I am going to hand this

communication to the minister and I would ask him to look into these complaints. There is a large number of men, I believe, employed in this camp, and the complaints are along the line of those that have already been brought to the attention of the committee.

There is one further question I would ask of the minister. The last time this matter came before the committee, a week ago to-night, the minister said that he would deal sympathetically with the request that had been made by the hon. member for Vancouver South that the men employed in these camps should receive their indemnity of twenty cents a day for their services whether the weather is fine or not.

Mr. STIRLING: The hon. member asks me whether I will deal sympathetically with the request that he has made. I may inform him, Mr. Chairman, that I have begun to deal.

Mr. MacMILLAN (Saskatoon): I have visited two of these camps. One of them is located in my own constituency. Prior to the establishment of these camps the city in which I reside operated a camp at the exhibition grounds, and they were quite unable to run it as efficiently as the camp is being run to-day under the department. As a result a lot of agitators and communists got into the camp in the city. The police tried to take fifty of them out one day and send them to another camp, but they refused to go, and as a result a riot broke out and Captain Sampson, who had bottles and bricks and everything else thrown at his horse, was killed. That was in the city of Saskatoon. Now there is a camp being operated by the department at Dundurn, thirty miles from where I live, and it has been my privilege to be there on several different occasions. I have talked with the men, and by and large they are all very well satisfied. They are well housed and well treated; there is no question about that. One day three men were thrown out of the camp because they refused to abide by the regulations. They were agitators trying to create trouble and a disturbance among the men in the camp. There were some fourteen hundred men in the camp at the time. These three men came back to Saskatoon and placed their troubles before some citizens, and a delegation of these people came to see me. They had not made inquiries as to the offences for which these men were thrown out; they simply came to me weeping and wailing because of the so called bad treatment these men had received. A day or two later these three men who had been thrown out of the camp called on me and told me a great tale of woe. I must say that I did not receive them with outstretched arms or anything of that kind. Then these three men went to the chief of police and demanded beds in the police station. They did not get them. Finally they went to the Salvation Army, where they stayed. The next day I succeeded in getting a friend of mine who had a contract to take out railway ties in the constituency of my hon. friend from North Battleford to give these three men a job. I telephoned the chief of police and said, "You had better round them up and see if they want to work." He rounded them up and informed me that they did not have proper clothing. I asked him to inquire how much it would cost, and he bought sixty dollars' worth of clothes for them, which I paid for. They were sent out to the tie camp and given a job, but three days afterwards the mounted police were called in and these men were taken out of the camp, and eventually one of them found himself located in the gaol at Prince Albert. They were just communist agitators. They did not want to work.

There is another camp I have visited in Prince Albert national park. Several hundred men have been located there for a number of years. I went through the bunkhouses, the dining rooms and kitchen, and found them all in excellent condition. Two or three other men and myself spent a day or two at this park. We were in bathing at a spot some distance from the beach where most of the people live and three men came down to water some horses. We got talking to these fellows and they told us how delighted they were at having been able to get in the camp. The camp was about to be closed for the summer. They said they had been very well treated by the officials. It would almost seem as if British Columbia has a peculiar type of citizen, they have so much trouble out there with these agitators. There does not seem to be the same trouble in other camps. If these men would abide by the rules of the department I think they would find everything all right. Generally speaking, they are architects of their own misfortune. I think the department is to be commended for the manner in which they have handled this very difficult task and, on the whole, the men in the camps are to be commended for the manner in which they have handled themselves.

Item agreed to.

Administration, $359,000.

Sir EUGENE FISET: What is the explanation for the increase of $41,000?

Mr. STIRLING: This is made up of pay and allowances for defence headquarters which are necessary because of a change in bookkeeping. Seven officers are being transferred from the permanent force, one of whom is employed on unemployment relief. There will also be allowances for the extra day for leap year. Instead of these staff officers being paid under the vote for the permanent force, they will now be paid from this vote, which is considered the proper place. That accounts for $30,700 of the increase. Transportation, travelling and removal expenses incidental to completion of staff appointments account for $5,000.

Sir EUGENE FISET: I notice the vote for the permanent force is increased from $4,910,034 to $4,964,700. If the minister is taking $30,000 from the vote for the permanent force and transferring it to the vote for administration, the permanent force vote should be reduced by that amount.

Mr. STIRLING: Shall I deal with that now or wait until we reach the permanent force vote?

Sir EUGENE FISET: I think this would be the proper place to deal with it.

Mr. STIRLING: The explanation is as I have given, that these officers are now paid under administration. When we reach the permanent force vote I shall be glad to give an explanation then or I can give it now if the hon. member desires.

Sir EUGENE FISET: It would save time to give it now.

Mr. STIRLING: This estimate is based on a strength of 332 officers and 2,988 other ranks, also six officers of the non-permanent active militia attached for duty and 31 civilian employees.

Sir EUGENE FISET: May I interrupt? The minister is simply giving a general explanation of the vote. I do not want him to go to that trouble because that is not what I want.

Mr. STIRLING: If the hon. member will permit me, I am just reaching the explanation he wants. The increase over 1934-35 is six officers and eight other ranks.

Mr. DONNELLY: Is that an increase in the permanent force?

Mr. STIRLING: Could we stay on the vote for administration?

Mr. DONNELLY: How many officers?

Sir EUGENE FISET: I do not understand the explanation given by the minister. A minute ago he told us that seven officers of the permanent force had been transferred from the permanent force to administration. If the vote for administration has been increased by $30,000, the vote for the permanent force should be reduced by the amount necessary for the salaries of these officers who have been transferred.

Mr. STIRLING: That is the explanation I have given. It has been considered necessary to augment the permanent force by that small number and the staff officers will in future be paid from the administration vote.

Sir EUGENE FISET: I am sorry but I do not understand the explanation. The minister stated that seven or eight officers of the permanent force, whose salaries had been paid from the permanent force vote, were being transferred and their salaries would now be paid out of the administration vote. The salaries for these officers cannot be provided for both in the administration and in the permanent force votes; if one is increased the other should be decreased.

Mr. RALSTON: Is the minister making a further explanation?

Mr. STIRLING: No.

Mr. RALSTON: Can the minister state the officers who are being transferred?

Mr. STIRLING: The increased amount is to cover the following appointments now being paid from permanent force vote:

Staff officer, medical services,
Assistant director, personal services,
Assistant director, organization,
G 2 training,
Assistant director, intelligence,
A.A. & Q.M.G. (unemployment relief),
Artillery liaison officer, R.C.A.F.

These positions are usually held by a major or senior captain and the units to which these officers belong are without the services of their corresponding ranks. The result is that other officers of lower rank are carrying out their regimental duties but cannot receive the appropriate rank or pay for the responsibilities they are forced to assume.

Mr. RALSTON: Do I understand that this is really an addition to the staff?

Mr. STIRLING: These are transfers from the permanent force to administration.

Mr. RALSTON: An addition to staff by transferring regimental officers to staff appointments; is that it?

Mr. STIRLING: Hitherto these officers have been paid out of the permanent force

vote and it has been considered more desirable that they should be paid out of the administration vote.

Mr. RALSTON: And they will perform the same duties which they performed when they were paid out of the permanent force vote?

Mr. STIRLING: Yes.

Mr. RALSTON: Is there an addition to the staff?

Mr. STIRLING: No, except that one now working on unemployment relief.

Sir EUGENE FISET: I am afraid both the minister and even my colleague, the former Minister (Mr. Ralston), are under a misapprehension. In the past these officers were paid from the permanent force vote. They were acting in a certain capacity, perhaps on the staff, but I understand that the payment of their salaries will now be made from the administration vote and that new staff appointments are being created for them. The minister has just stated what they were and he adds that they were transferred from the permanent force vote to administration because the department could not pay them adequate salaries for the work they did. I submit therefore that new staff appointments are being created.

Mr. DONNELLY: I must protest against this militia vote which has appeared in the estimates year after year. I have protested against it before and I do so again. Here we have an increase of $117,000. This week there was in Ottawa a meeting of all the mayors from the Atlantic to the Pacific protesting against the expense of keeping the unemployed in their cities. They told us it was impossible for them to continue handing out relief after the first of May; the taxes were so high that they could not raise sufficient money to support the unemployed. Yet here we find the militia service with an increased allowance of $117,000. Year after year the same thing happens: there is an increase in militia services, in police and in all forms of protection throughout the dominion. It is impossible for me to justify this vote. When we think of the number of people out of employment, when we think of the poverty and want throughout the country, on the farms and in the cities, when we remember that our boys last summer were going to militia camps on a holiday, drawing $1.10 a day, and furnished with new equipment, clothing and so on, while their fathers at home were not able to earn $1 a day, it seems to me that we are all wrong; we have gone astray—yes, as someone says, we are all wet. This vote ought to be reduced substantially year by year, and, I repeat, I cannot justify it on any ground. Those in the permanent service are being advanced every year just as if conditions were normal. The thing is ridiculous.

Mr. RALSTON: Do I understand the minister clearly to say that there has been no creation of any new staff positions by this operation, except the creation of one new A.A.Q.M.G. for a particular purpose?

Mr. STIRLING: That is my information; there have been no new staff appointments.

Mr. RALSTON: I take it that the position of staff officer, medical services, has always existed.

Mr. STIRLING He is performing this service but under a different name. That is the man.

Mr. RALSTON: It is not the man I am talking about but the post.

Mr. STIRLING: The post is the same. The officer is no longer called deputy director general of medical services; he is now called staff officer, medical services. The same man is doing the same work.

Mr. RALSTON: A new post is created and the old post abolished?

Mr. STIRLING: Yes.

Mr. RALSTON: Will the minister go through the list and show us what the previous post was that is now represented by the post paid for under the administration vote?

Mr. STIRLING: That is the only one in the list that is changed.

Item agreed to.

Cadet services, $150,000.

Sir EUGENE FISET: How many cadets were trained in the province of Quebec last year?

Mr. STIRLING: There were 320 units, the same as the year before.

Sir EUGENE FISET: I mean the number that actually underwent training.

Mr. STIRLING: As far as I am aware, that is the number that did train—320.

Mr. WOODSWORTH: Will the minister give the number of cadets trained, by provinces?

Mr. STIRLING: As at August 31, 1934, they were: Nova Scotia, 2,282; Prince Edward Island, 754; New Brunswick, 3,491; Quebec, 51,337; Ontario, 21,126; Manitoba, 2,095;

Saskatchewan, 2,669; Alberta, 1,792; British Columbia, 1,800. That makes a total of 87,346, a reduction of 46,986 compared with the year before.

Mr. WOODSWORTH: In what provinces were there reductions?

Mr. STIRLING: In all the provinces.

Mr. DONNELLY: In what school are the cadets training in Saskatchewan?

Mr. STIRLING: I have not got it divided up according to units within the provinces. In Saskatchewan there were forty-one units on the last day of last year compared to forty-three the year before.

Item agreed to.

Contingencies, $31,500.

Sir EUGENE FISET: Why are there, practically speaking, three votes for contingencies? We have civil government, $45,000; we have contingencies,—I take it, for the permanent force—$31,000; and over and above that, in the vote for administration, there is provision for printing and stationery. I understand that the contingencies vote, so far as civil government is concerned, pays for expenses of civil printing in the department, and in the past it used to cover all printing and stationery expenditures for the whole department. Provision is being made here for the same kind of machinery in the administration vote. What is the purpose of these three different votes in one department?

Mr. STIRLING: The desire is that within each department the expenditures should fit with the work of that department. Shall I give the subdivisions?

Sir EUGENE FISET: I know them by heart, thank you.

Mr. STIRLING: The printing referred to amounted to only $75.

Item agreed to.

Engineer services and works, $297,500.

Mr. RALSTON: I call the minister's attention to what is a very small matter as far as the total vote is concerned; I refer to the armoury accommodation at Yarmouth in my own constituency. The minister was good enough the other day to bring down a return showing the correspondence in connection with that matter. Summing up the return I think this is the situation: negotiations have been on foot for some time with the authorities of the United Church of Canada as to the possibility of utilizing a United church property there by way of either purchase or lease. A definite price has been fixed as far as purchase is concerned, but as the correspondence discloses, no proposition has been received from the church authorities in response to a request for such proposition by way of lease. I do not know whether the minister has in mind continuing negotiations along that line or not. Pending that and pending some better general armouries accommodation there, I hope the minister will consider favourably a suggestion which is made in this return by the officer in command of No. 3 company, 6th Division Signallers, for some better accommodation for that unit. That does not mean that the 84th Field Battery, which is the other militia unit down there, does not need better accommodation, but it would appear from the correspondence that the commanding officer of the 84th battery is not particularly enthusiastic regarding the United church property; he indicates that it does not provide the fireproof accommodation which the battery would wish to have. But he does intimate that the signals in his opinion require better accommodation. There is a proposition on the file whereby signals may get separate accommodation outside the agricultural building—which is now being used by both units—in a building owned by E. H. Spinney at what appears to be a very small rent. At the present time the room for signals in the agricultural buildings is being paid for at the rate of $5 a month. The Spinney proposition would involve $10 a month instead of $5, and an expenditure of probably $500 in all to fit up the building. It would apparently give the signals very much better accommodation, as at present they have only one room in the agricultural building. I would ask the minister to go into the matter carefully, in the hope in the first place of providing better armoury accommodation all around, but in any case of providing at least better accommodation for the signals if it is found that there is no building sufficiently attractive to the military people to justify their recommendation.

Mr. STIRLING: I recall the matter that the hon. member has outlined. We are continuing to explore the possibilities of leasing.

Mr. BOTHWELL: I understand that representations have been made to the minister in connection with armoury accommodation at Swift Current, Saskatchewan. Have any steps been taken towards furnishing better equipment along the lines of the suggestion that has been made?

Mr. STIRLING: All that I can say is that the Swift Current armoury suggestion is being given consideration along with all the other armouries which have been suggested throughout Canada.

Mr. DONNELLY: Is there at present an armoury at Calgary, and when does the minister expect to build that million dollar one which was passed in the public works program last year?

Mr. STIRLING: If the hon. member will recall, there is armoury accommodation at Calgary, which has been used for a considerable time by the permanent force. The barracks project which has been started on the plateau outside Calgary is for the purpose of restoring that armoury to the non-permanent active militia, for whose purposes it was built.

Item agreed to.

General stores, $837,800.

Mr. BOTHWELL: This item shows that the total last year was the same, whereas last year's estimate show that the vote was only $667,800. Was there some supplementary vote last year, or how is it the estimates this year show an increase over last year?

Mr. STIRLING: The difference is that the hon. member has not added to the figure printed in last year's estimates the amount voted in the supplementary estimates of that year.

Item agreed to.

Non-permanent active militia, $2,000,000.

Mr. RALSTON: Would the minister tell us what this item provides for as to the number of men who will be trained?

Mr. STIRLING: The estimates provide unit training for the total 29,803 all ranks for a period of ten days.

Mr. RALSTON: Is it the same number as last year?

Mr. STIRLING: Very much the same as last year.

Mr. RALSTON: I see a $6,000 increase. What is that for?

Mr. STIRLING: The increase for salaries and wages is necessary to cover adjustments in salaries of individuals who are exempt from the ten per cent deduction under the Salary Deduction Act. Provision for such adjustment was not made in the 1934-35 estimates.

Mr. REID: I should like to draw attention to a matter in connection with the militia department of this city, the 79th Queen's Own Cameron Highlanders. I ask the indulgence of the committee and the minister for doing this. As will be well understood, the Queen's Own Cameron Highlanders should have as their foremost band a pipe band. Surely the pipe band should be the premier band of a kiltie regiment, especially the Queen's Own Cameron Highlanders. My complaint concerning the Ottawa regiment is that all preference has been given to the bugle band in the matter of dress. I am asking the consideration of the minister because I know the pressure that has been brought to bear in this city that the bugle band shall stand out prominently, but I am in a position to offer practical criticism. This regiment has a tradition behind it, going back to 1710, I believe, or even further.

Mr. STIRLING: I shall be very glad to give consideration to anything relating to such a matter.

Mr. WOODSWORTH: I suggest that the band be transferred to the sixth floor.

Mr. REID: If there was as much sense on all floors as comes from the sixth, this house would be all right.

Mr. DONNELLY: I understood the minister to say that this increase of $6,000 was to provide for restoration of cuts in certain salaries. Would the minister explain more fully who are exempt from this ten per cent cut and why?

Mr. STIRLING: I had begun to read the explanation of the increase as it appeared in the general statement. There have been increases and decreases this year compared with last year; the $6,000 is the balance. I shall continue to read the note that I have.

Eleven new positions are included, three of these having been taken over from the public works department, and the balance for new armouries recently completed or at present under construction. When an armoury is completed the caretaking is taken over by national defence; while it was building it was in the hands of public works. Offsetting the eleven new positions are five which have been abolished. This is a plus and minus proposition, a give and take, but the balance is an increase of $6,000. The amount of training will be affected by restricting certain activities and limiting the number in attendance at instructional schools.

Mr. DONNELLY: I understood the minister to say that there were some men who were exempt from the ten per cent cut. Who are they?

Mr. STIRLING: I am afraid I have not with me the details as to who they were. If the hon. member wishes, I will obtain the information for him.

Mr. DONNELLY: Are there any exempt and, if so, why are they exempt from the ten per cent cut?

Mr. STIRLING: Those that receive less than $1,000 had salary deductions made and then, if the hon. member will remember, those were restored to them. Provision has to be made to replace that which was taken from them before the legislation was changed.

Mr. RALSTON: A very small portion of the $6,000 is for adjustments. Apparently the larger portion is for the creation of new positions, is it not?

Mr. STIRLING: Yes.

Item agreed to.

Permanent force, $4,964,700.

Mr. RALSTON: There is a substantial increase in this item. Will the minister explain the increase, keeping in mind the fact that apparently, as pointed out by the hon. member for Rimouski, there should be reflected somewhere a $30,000 reduction owing to that amount having been transferred to administration.

Mr. STIRLING: This increase is divided up as follows: there is an increase of $5,850 in connection with training, to enable training which has been extremely limited in the past to be carried out in a rather more extended form, so that the efficiency of the units will not be impaired. I may say that running right through these estimates are evidences of the fact that this year we do not find the same necessity for drastic curtailment that existed for the last two years. During those two years when estimates were cut to the very bone, it is obvious that in matters such as stores and in other directions we have let stocks down pretty far. That applies to stores; it applies even to training; it applies in many directions. A slight effort has been made in most directions in these estimates to endeavour this year to catch up a little bit on what we had to let slip for purposes of economy in the past.

The second portion of the total increase comes under the heading of maintenance. This is another case where there are some increases and some decreases; for instance as regards the allowance made for freight, express, cartage, we consider $1,000 will be sufficient. But for food and ice an increase of $8,000 is anticipated due to increases in prices of commodities. The same applies to forage; it also applies to fuel and gas, chiefly due to increased prices for coal and coke. There is an increase in laundry costs due to an increase in contract washing rates. There is an increase in cost of water due to an increase in rates. The decreases are based on expenditures for the coming year. It is anticipated that the amounts estimated under the several headings will meet requirements for 1935-36. In other words, the provision made for those particular items last year was a little more than the actual requirements.

Mr. RALSTON: What is the total increase under maintenance?

Mr. STIRLING: The increase is $22,249. The third portion of the increase, $26,567, comes under the category "general." There again there are increases and decreases. The increases come under the heading of pay and allowances, due chiefly to an increase of six officers and eight other ranks in the strength of the permanent force over that for the fiscal year 1934-35, an additional day's pay having to be provided for leap year, also an increase in the number of married officers. Perhaps I should point out to the committee that for a good many years, I mean since the reorganization after the war, a certain establishment has been looked forward to in Canada. In the last year or two nothing in the nature of reaching out toward that establishment was possible. This year a little reaching out toward it has been considered possible, hence this small increase in the number of officers and other ranks.

Mr. RALSTON: Is the increase in the number of regimental officers?

Mr. STIRLING: Yes.

Mr. RALSTON: Does this mean another major or another captain or another lieutenant per battalion?

Mr. STIRLING: They are junior officers brought in. I cannot give the hon. member the exact units to which they are attached; I have not those details with me.

Item agreed to.

Royal Military College, $359,500.

Mr. RALSTON: What is the explanation of the increase?

Mr. STIRLING: This starts off with a decrease of $1,990 in pay and allowances of military staff due to change in appointments

with replacements being made at lower rates of pay and allowances. As regards salaries of civilian personnel, sufficient funds are included to cover the restoration of one-half of the current ten per cent deduction, also statutory increases for the civilian members of the staff.

Mr. RALSTON: Are there any increases in pay?

Mr. STIRLING: No.

Sir EUGENE FISET: Does the Minister of Finance concur in the statement made by the Minister of National Defence? I understood the estimates represented only ninety per cent of the total amount that was to be provided for salaries and that a special bill was to be introduced to provide for the five per cent increase, so I do not think the minister's explanation can be correct.

Mr. RHODES: The general set-up was that the estimates were prepared on the basis of last year's, which included the ten per cent deduction. There may be some exceptions in connection with this department.

Mr. STIRLING: No doubt my hon. friend heard me read a portion of—

Sir EUGENE FISET: Never mind; I am satisfied.

Item agreed to.

Naval Services—
To provide for the maintenance of the ships and establishments of the naval service, including the Royal Canadian navy, the Royal Canadian naval reesrve and the Royal Canadian naval volunteer reserve, $2,250,000.

Mr. RALSTON: Would the minister give an explanation of the increase?

Mr. STIRLING: The increase is for the Royal Canadian navy, no increase being provided for the other naval services. In order to meet the increased cost of pay and allowances for the Royal Canadian navy it has been necessary to increase their vote by the sum of $39,750, and the medical vote has also been increased by $3,000. The vote for miscellaneous effective service has been increased by $8,050 and for non-effective by $800. So that the net increase authorized may not exceed $28,000. The stores and allowances vote has been decreased by $23,600, bringing the net increase to $28,000.

The explanation of the reason for the increase in this year's estimates is that there are three engineering midshipmen doing courses at Keyham while last year there was only one. Additional officers in this branch, as the hon. member will recall, are badly needed. There is another cadet under training, there being six instead of five. There is a long torpedo course for 1935-36, there being no such course in the past year. An additional torpedo officer was urgently required, there being no officer available until the present year. Other courses were estimated for last year and are to be carried out in the present year.

Mr. RALSTON: The minister has said there is an increased cost for pay and allowances amounting to $39,750. Are there any increases in individual amounts of pay?

Mr. STIRLING: Only in cases where promotion would carry with it the pay of a higher rank.

Sir EUGENE FISET: Would the minister inform me if there is any possible way for a young French Canadian, for instance, of about sixteen or seventeen years of age to join the Royal Canadian navy or the cadet school? What steps must be taken if he desires to follow that course?

Mr. STIRLING: Does the hon. member refer to an executive rank?

Sir EUGENE FISET: To start from the bottom as a cadet, if necessary.

Mr. STIRLING: As an officer?

Sir EUGENE FISET: As an officer, if possible, or even as a seaman.

Mr. STIRLING: Two different answers would be given, and I should like to know which the hon. member wishes.

Sir EUGENE FISET: As an officer.

Mr. STIRLING: There are two ways of getting into the Royal Canadian navy, one after being accepted in the Royal Military College at Kingston where the cadet would spend two years and if successful would be chosen for entry into the Royal Canadian navy, and the other by taking a naval examination open to all Canada.

Sir EUGENE FISET: When and where do the examinations take place?

Mr. STIRLING: They take place in different Canadian centres. The applicant must not be older than eighteen and one-half years or younger than seventeen years.

Sir EUGENE FISET: I know that graduates of the universities and seminaries of the province of Quebec with the degree of bachelor of arts or bachelor of science are admitted to the Royal Military college without further examination. Would the same apply to our naval academy?

Mr. STIRLING: No, the applicant would have to take an examination, if I follow the hon. member correctly.

Sir EUGENE FISET: At what time of the year would he apply?

Mr. STIRLING: The application ought to be sent in by this time for the examination to be held in May.

Mr. DONNELLY: Of what is the navy composed at the present time? Where is it? Do you ever get it out of the garage?

Mr. STIRLING: There are two destroyers on each coast.

Mr. DONNELLY: What are their names?

Mr. STIRLING: The Skeena and the Vancouver on the Pacific coast, together with the Armentieres, a mine sweeper, and on the Atlantic coast we have the Saguenay and the Champlain.

Mr. WOODSWORTH: What services if any have been performed by these cruisers during the past year?

Mr. STIRLING: Torpedo boat destroyers?

Mr. WOODSWORTH: Yes.

Mr. STIRLING: At the present time their services are largely those of training. They take the trips necessary to keep the ships' companies up to the mark in training. Also at this time of the year they join with the home fleet when the fleet of Great Britain comes into West Indian waters. To that point our two destroyers from each coast proceed. The destroyers on the Atlantic coast proceed directly to one of the more northern West Indian islands, and the two destroyers from the Pacific coast come down through the Panama canal to that rendezvous. They spend so many weeks together carrying out tactical exercises, gunnery, torpedo drills and manoeuvres, both by day and by night.

Mr. REID: Do the ships passing through the Panama canal pay the tolls, the same as the liners?

Mr. STIRLING: Yes, the destroyers pay the usual toll.

Mr. WOODSWORTH: Have they any specific duty in connection with patrolling the coast?

Mr. STIRLING: There is what is known as the Bamfield patrol on the western coast. I do not know that I can outline any specific duties; as a matter of fact I do not just know what the hon. member means by the term "specific duties." Undoubtedly they do patrol the coast and if they were to discover something which was not carried on properly they would make adequate report to the authorities.

Mr. WOODSWORTH: Is there any connection between the work of these ships and the work of any other department? For instance, on the Atlantic coast we have the Royal Canadian Mounted Police. Is there any specific work in connection with the defence of the coast which they are regularly called upon to perform?

Mr. STIRLING: There is no police or detective work. I can only repeat what I said formerly, namely, that if trouble existed or an occasion arose they would act. Instances have occurred where ships of the Royal Canadian navy have been able to render considerable service to isolated dwellers along our coast. They have been able to give service also to distressed shipping. But with regard to definite patrols for a certain purpose other than just patrolling the coast and carrying out the training, I know of no such definite operations.

Item agreed to.

Royal Canadian Air Force—expenses in connection with the general maintenance and training of the permanent and non-permanent active air force, and provision of facilities therefor, $2,630,000.

Mr. RALSTON: I think the minister should make a statement with regard to this item, because there is a very substantial increase.

Mr. STIRLING: There is an increase of $700,000 in the Royal Canadian Air Force vote. I think it is obvious that in the national defence force which Canada indulges in, the three branches of the service take their certain place; they are proportionate one to the other. There has been a considerable increase of interest the world over in the force in the air, and these forces in the air have modulated their operations in conjunction with the forces of the sea and the forces of the land. Aviation, and particularly the air forces of the various nations, has developed with very great rapidity not only as a result of the experience of the war but as a result of aviation experience generally since the war, and consequently increases for aviation, provided the force which is being considered is to be kept really up to date, are in some ways more considerable than those for the sea service and the land service. Some few years after the war, reorganization of the Royal Canadian Air Force was planned. It has not been possible in these years of difficulty to keep up the increase which was

started prior to the depression for the purpose of obtaining that nucleus development which in the interests of national defence it was considered desirable that the forces should have so far as the air was concerned. This year an attempt is being made to catch up some of that slack, to move a little further towards the attainment of the desirable quantity of machines and personnel which are required to put the Royal Canadian Air Force into its proper relation to the other defence forces in the country.

Mr. WOODSWORTH: Would the minister give us some idea of what he considers the desirable force? He mentioned a little earlier plans for a certain establishment that was thought desirable. What has the minister or the department in mind as to the force considered desirable in this country?

Mr. STIRLING: This estimate provides for a strength of 969 permanent and 526 non-permanent air force personnel, compared with 785 permanent and 399 non-permanent provided for the previous year. I do not know if that answers the hon. gentleman's question.

Mr. WOODSWORTH: No, it does not go far enough. If I understood the minister aright, he said he had larger plans in view and that this was a step in the direction of that larger plan. I should like to know what is that larger plan. What is considered the desirable air force that we should have in Canada?

Mr. STIRLING: I am not in a position to lay down here to-night what perhaps the hon. gentleman is thinking of, the ultimate aim of Canada in the air. I cannot give it. Probably plans and arrangements will have to be modified as the years go by.

Mr. WOODSWORTH: I am just taking the minister's own statement a few minutes ago when he said that the department had a certain force in view as desirable for Canada. I take it that there must be some plan, some definite establishment which the minister would like to see created, and that this is one step in that direction.

Mr. STIRLING: I am not aware that that is in the form of a list which could be read off. Certainly I have not got it here.

Mr. REID: Has the minister information before him regarding the number of sites that have been or are about to be purchased for airports and landing fields? In a return that I received the other day I was very much surprised to see the number of sites purchased in British Columbia. Is that policy being carried out throughout the whole of Canada?

Mr. STIRLING: To answer the hon. member in detail would take a little time.

Mr. REID: I do not want it in detail, but has the minister the amount that has been expended or is to be expended on sites for airports and landing fields?

Mr. STIRLING: I cannot pick that out now, certainly, but of course in regard to the sites which have been worked on under relief measures, for instance, a very considerable number of them have been acquired without the expenditure of money. Some have been transferred from the interior department and some have been taken over by arrangement with the province concerned. I think that comparatively few pieces of land had to be purchased for the purpose.

Mr. REID: Perhaps an answer to this question will serve my purpose. Is the department carrying out a policy of purchasing sites for airports and landing fields throughout Canada?

Mr. STIRLING: Yes, the department certainly is making a gesture towards the day when Canada will have dotted right across this country from coast to coast aerodromes, airports and emergency landing fields. But that is in the future, certainly not in the present.

Mr. RALSTON: Is the department paying for airports in cities? I do not think so.

Mr. STIRLING: No, but the department is endeavouring to see to it that there are emergency landing fields right across Canada, the total distance being divided up, if I remember rightly, into distances averaging thirty-five miles apart. The problem of a trans-Canada airway has been engaging the study of the aviation branch of the department for several years, and its development was commenced in 1927. In 1930 thirty landing fields had been established and equipped for night flying, the section traversing the prairie provinces being practically completed. Lack of funds prevented further development and necessitated the discontinuance of the inter-city air services of Winnipeg-Lethbridge-Edmonton and Toronto-Winnipeg. In anticipation of improved financial conditions the aviation branch is continuing to watch closely the development of air transportation in other countries in its various forms.

Mr. RALSTON: The minister has indicated that he is not able to state the objectives which are sought to be reached in connection with personnel and machines. Could he tell us the present personnel of the Canadian air force, that is officers and other ranks, and then tell us what addition to this personnel is contemplated?

Mr. STIRLING: There will be an increase of seventeen officers and 167 men.

Mr. RALSTON: And the number of machines?

Mr. STIRLING: The purchases which will be required under this estimate are four fighter type, ten training type and seven bombing type machines.

Mr. RALSTON: Is it expected that these machines will be purchased in England?

Mr. STIRLING: If the requisite machines can be obtained in Canada, it will be desirable to obtain them here. This is a matter of close examination of all factors.

Mr. RALSTON: I think the force and the country are primarily interested in training machines. There is much difference of opinion as to what type of training machine is desirable and I should like to know if the department has arrived at a definite conclusion as to what type will be purchased.

Mr. STIRLING: In the past we have kept in close touch with the Royal Air Force and many machines have been purchased from that organization. Others have been purchased from other sources. I am not in position to say that a definite decision has been arrived at as to the type of training planes to be purchased.

Mr. RALSTON: Does the minister contemplate taking on at least some of the men who were dropped two or three years ago at the time the drastic reductions were made in the force? I believe about eighty officers were let out.

Mr. STIRLING: It is the intention of the department to consider the applications of those men who were let out for purposes of economy, but it must be remembered that a younger type of man is coming along ready to start at the bottom.

Mr. RALSTON: There used to be a system of summer courses for college students carried on at Camp Borden. Are these being continued, either at Camp Borden or at Trenton? How many students are expected to take these courses?

[Mr. Stirling.]

Mr. STIRLING: In ab initio flying, eleven officers and four other ranks; instrument flying, Trenton and Ottawa, three officers and three other ranks; air pilotage, Camp Borden, three officers; army cooperation, Camp Borden, ten officers; for army officers, fifteen officers; flying instructors, Camp Borden, four officers and squadron armament, Camp Borden, four officers and three other ranks.

Mr. RALSTON: What I was asking about were the Camp Borden courses. I should like to know how many will be taking those courses.

Mr. STIRLING: Eleven officers and four other ranks.

Item agreed to.

Civil Aviation—
Expenses in connection with the control of civil aviation, airways, government and public air ports and grants to aeroplane clubs, $250,000.

Mr. WOODSWORTH: I notice that the British government has decided recently to separate civil aviation from military flying. I should like to quote an article which appeared in the Spectator of December 21, as follows:

> Recent decisions show that the government is now fully alive to the necessity of freeing civil aviation from the dominance of military aviation, and of a more vigorous policy in conjunction with the dominions for the development of commercial air routes within the empire. The air council henceforward will be concerned exclusively with the military side. The Director of Civil Aviation will become Director-General, and will take decisions in conjunction with the Secretary of State and the Under-Secretary. Expenditure on civil flying will have to be judged independently of military expenditure, and on its merits. The hope must be that international agreements will admit of the enlargement of the civil vote through the reduction of the military. If we are to hold our own in competition with foreign countries, ground organization must be improved and regular services must be quickened. To no small extent the future cohesion of the empire depends on the air—not on the air force, but on the efficiency of civil services.

If such a decision has been arrived at in England, it seems to me highly desirable that we should proceed along somewhat similar lines. Perhaps this would be even more desirable in Canada than in England because we are so closely in touch with the American air routes. If civil flying is to be developed to the extent to which it should be developed, we should not be tied up with military operations. Has the minister's department given consideration to this matter, and is it prepared to recommend to the government action along these lines?

Mr. STIRLING: I do not consider that any division other than exists at present is required in this country. There is no connection between civil aviation and the Royal Canadian Air Force; they are two separate branches. True, they come under the one minister, but they are entirely separate.

Mr. WOODSWORTH: Is it necessary that they should come under the military arm? I do not see how the minister can say that they are quite separate, because a few minutes ago he suggested that there should be the closest cooperation with regard to landing fields and so on, and in the training of pilots I think the two are closely connected. At any rate, that is my information.

Mr. STIRLING: I am afraid I do not follow the hon. member. One might as well argue, it seems to me, that a man who drives a taxicab is not the same type of individual as the man who drives a motor ambulance. They are the same type of individual, they have to perform the same sort of operation; but there is no connection between the two. Both types might have to use the same airfield or seadrome and they both fly airplanes. They both know something of the design of machines and engines, but I do not see how they are connected.

Mr. WOODSWORTH: In the first place, this comes under the military department. That is the first and essential thing we are discussing to-night.

Mr. STIRLING: They happen to come under one minister but they are not related in any other sense.

Mr. WOODSWORTH: Are we not discussing the affairs of the Department of National Defence, or have we passed entirely from the Department of National Defence?

The CHAIRMAN: This is civil aviation.

Mr. WOODSWORTH: Yes, but it comes under the Department of National Defence.

Mr. STIRLING: It comes under this minister, who happens to be Minister of National Defence.

Mr. WOODSWORTH: If I understand rightly, in England there will be provision to take it completely out of the Department of National Defence, making some other arrangement.

Mr. STIRLING: Perhaps Canada will do the same some day.

Mr. WOODSWORTH: I have asked the minister whether consideration has been given to the idea of taking it out of the Department of Defence.

Mr. STIRLING: I cannot say that I have given it consideration. Obviously the day may come when all sorts of changes will be made within these departments, but at present I am not giving consideration to civil aviation doing anything but remaining where it is.

Mr. RALSTON: To emphasize the fact that there are civil activities in this military department, may I as a last word bring to the attention of the minister the matter of having, if possible, an airplane located on the eastern coast of Halifax for the benefit of navigation during the winter months?

Mr. STIRLING: At Dartmouth?

Mr. RALSTON: Well, that is across the harbour. I have already brought it to the minister's attention, and other representations have been made to him. It is well worthy of consideration. It would have done valiant service if it had been located there last winter during the excessive storms; it would have assisted in locating a ship that was adrift for between twenty-four and forty-eight hours. Has the minister come to any conclusion in the matter?

Mr. STIRLING: It has not been definitely decided, but it is under close observation and a decision will be arrived at shortly.

Item agreed to.

Radio services—For the maintenance and operation of the northwest territories radio system, $199,425.

Mr. RALSTON: There will not be a department of communications this year?

Mr. STIRLING: I am not in a position to make a statement at the moment.

Item agreed to.

Battlefields memorials, $86,789.

Mr. RALSTON: The Vimy memorial comes under battlefields memorials?

Mr. STIRLING: Yes.

Mr. RALSTON: Will it be finished in time for the pilgrimage which is planned for July?

Mr. STIRLING: It is anticipated it will be ready.

Item agreed to.

Progress reported.

At eleven o'clock the house adjourned without question put, pursuant to standing order.

Monday, April 1, 1935.

The house met at three o'clock.

INDUSTRIAL AND INTERNATIONAL RELATIONS

Mr. F. W. TURNBULL (Regina) presented the second report of the select standing committee on industrial and international relations.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

PENSION EXPENDITURES

Mr. SPENCER:

What was the total amount paid by the dominion government in the way of pensions during the last fiscal year: (a) old age pensions; (b) soldiers' pensions; (c) civil servants' pensions; (d) judges' pensions; (e) all others?

Mr. SAUVE:

(a) $12,313,594.93.
(b) $41,839,830.90.
(c) $3,612,932.89.
(d) $276,930.58.
(e) $237,322.00.

HERMÉNÉGILDE BOULAY

Mr. MICHAUD:

1. Was Herménégilde Boulay employed in any capacity by the Public Works department from 1930 to 1935?

2. Did Herménégilde Boulay ever do any work, either as a contractor for the Public Works of Canada at Rimouski or other point, from June, 1930, to January 1, 1935?

3. If Mr. Boulay was employed, in what capacity; at what rate of pay; and what was the total amount received by Mr. Boulay for his services, or salary through the Department of Public Works?

Mr. STEWART (Leeds):

1. Yes.

2. Not as contractor.

3. (a) Inspector of construction at Rimouski and Father Point from September 29, 1931, to February 10, 1932.

(b) $5 per day.

(c) $560.

MOTOR CAR PRODUCTION AND EXPORT

Mr. COOTE:

1. What was the number and average value of passenger motor cars produced in Canada and exported in each of the years, 1933 and 1934?

2. What was the number and average value of passenger motor cars produced in Canada for home consumption in each of the years, 1933 and 1934?

[Mr. Stirling.]

3. What was the number and average value of motor trucks produced in Canada and exported in each of the years, 1933 and 1934?

4. What was the number and average value of motor trucks produced in Canada for home consumption in each of the years, 1933 and 1934?

Mr. HANSON (York-Sunbury):

1. Production

Calendar Years:	No.	$
1933..	53,849	32,568,268
1934..	92,157	Not available

Domestic Exports

Calendar Years:	No.	$
1933..	15,828	6,812,989
1934..	31,274	12,988.365

2.

Calendar Years:	No.	$
1933..	37,274	Not available
1934..	59,534	Not-available

3. Production

Calendar Years:	No.	$
1933..	12.003	6,062,195
1934..	24,773	Not available

Domestic Exports

Calendar Years:	No.	$
1933..	4,575	1,693.070
1934..	12.094	4,215,429

4.

Calendar Years:	No.	$
1933..	5,904	Not available
1934..	12.947	Not available

FORT QU'APPELLE, SASK., INDIAN HOSPITAL

Mr. YOUNG:

1. Was any land purchased by the government for the Indian hospital at Fort Qu'Appelle, Saskatchewan?

2. If so, from whom was it purchased and what was the price paid to each of the vendors?

Mr. MURPHY:

1. Yes.

2.

Purchased from	Amount paid
Central Lands Limited..	$ 100 00
Plus outstanding taxes..	160 74
Mrs. E. C. MacDonald..	1,482 72
Plus arrears of taxes..	334 58
Hudson Bay company..	300 00

BUTTER RETURNED FROM UNITED KINGDOM

Mr. POULIOT:

1. From 1930 to date, was Canadian butter shipped back from the United Kingdom to Canada?

2. If so, why and what quantity each year?

3. Same question for cheese.

Mr. MATTHEWS:

1, 2 and 3. Information not available.

NOTRE-DAME DE L'ISLE-VERTE, QUE., WHARF

Mr. POULIOT:

1. Did the government authorize, in 1934, an expenditure of $4,600 under Public Works Construction Act for repairs to the wharf and to the road leading to it at Notre-Dame de l'Isle-Verte, Quebec?

2. If so, how much was spent for repairs: (a) to the wharf; and (b) to the road?

3. What is the length and width of such road?

Mr. STEWART (Leeds):

1. Yes.

2. (a) $2,935.07; (b) $941.40.

3. 1,180 feet long by 24 feet wide.

WATERLOO, QUE., POST OFFICE

Mr. HOWARD:

1. What did the investigation into the cost of the Waterloo Post Office cost the government?

2. Was Judge Forest's secretary paid and how much?

3. Was Judge Forest paid a salary, and if so, how much?

4. What was the stenographic cost?

5. Were the government lawyers paid and who were they?

Mr. STEWART (Leeds):

1. $732.80 to March 28, 1935.

2. (a) yes; (b) $12.

3. No (paid living and travelling expenses only amounting to $83—December 20-29, 1934).

4. $637.80.

5. (a) No, account not yet received; (b) P. E. Delaney, Granby, P.Q.

AIRMAIL CHARGES

Mr. DUPUIS:

Referring to a question asked verbally to the Hon. the Postmaster General, as reported on page 2077, of Hansard of March 21, 1935.

1. What is the cost of each letter carried by the airmail service of the Post Office Department?

2. What was the total cost of maintenance to the Post Office department of the airmail service for each of the years, 1930, 1931, 1932, 1933, and 1934?

3. How many letters and postal parcels were carried by the airmail service for each of the above-mentioned years?

4. What was the gross revenue of the airmail service for each of the above-mentioned years?

Mr. SAUVE:

1 and 3. All classes of mail matter are carried on airmail routes, i.e., letters, newspapers, printed matter and parcel post. No permanent check is kept of the number of each class carried. Periodical checks however lead to the conclusion that the following weights and percentages are reasonably accurate:

1st class matter—letters	38%	or 234,746	pounds carried during 1934
2nd class matter—newspapers	37%	or 226,790	pounds carried during 1934
3rd class matter—printed matter	3%	or 21,312	pounds carried during 1934
4th class matter—parcel post	22%	or 139,482	pounds carried during 1934
	100%	622,330	pounds

2 and 4.

Calendar year	Airmail expenditure	Estimated gross revenue
1930	$1,284,652 99	$506,445 20
1931	1,085,129 24	505,670 20
1932	311,249 94	316,195 13
1933	199,279 30	320,776 97
1934	223,864 29	357,897 69

SUGAR TAX

Mr. RINFRET:

1. At what date did the special tax on sugar come into force?

2. What was the initial rate thereof?

3. What is the present rate?

4. What revenue was derived from this tax for each year separately since it came into force?

5. What revenue was derived from the said tax during the first months of 1935?

Mr. MATTHEWS:

1. March 22nd, 1933.

2. 2c. per lb.

3. 1c. per lb.

4. 1933-34, $14,723,321.32.
1934-35 to Feb. 28th 1935, $9,942,886.75.

5. January and February 1935, $1,396,767.76.

SAINT-CANUT, QUE., MAIL CONTRACT

Mr. POULIOT:

1. Has Mr. Arthur Robert a contract with the Post Office department for the carrying of the mail in the parish of Saint-Canut, in the county of Laval-Two Mountains?

2. If so, what remuneration does he receive per year?

3. What were the terms of the contract held by his predecessor, Mr. William O'Connor, for doing the same work?

Mr. SAUVE:

1. Yes.

2. $700.00 per annum.

3. $700.00 per annum.

MONTREAL, QUE., MAIL CONTRACTS

Mr. POULIOT:

1. Who has carried the mail from the railway stations and boat landings to the post offices in the city of Montreal, since 1930?

2. What amount was paid to each contractor in connection with such work since that date?

3. Who has been carrying the mail between the various post offices in the city of Montreal, since August, 1930?

4. What amount was paid to each contractor in connection with such work since that date?

Mr. SAUVE:

1. The Canadian Transfer Company, Limited.

2. $204,866.66.

3. The Canadian Transfer Company, Limited and J. E. Laurent.

4. The Canadian Transfer Co., $740,607.15. J. E. Laurent, $2,800.00.

MONTREAL MAIL CONTRACT—J. E. LAURENT

Mr. POULIOT:

1. Did J. E. Laurent hold any contract whatsoever from the Post Office department, from the month of August, 1930, to the month of May, 1932?

2. If so, what was the contract price, what was he required to do under the terms of such contract and what amount was paid to him?

Mr. SAUVE:

1. Yes.

2. 70c. per hour from 28th October, 1930, and 80c. per hour from 1st October, 1931. He delivered parcel post to addressees in the city of Montreal. From the 28th October, 1930, to 1st May, 1932, he received the sum of $39,831.65.

H. W. MIX, POSTMASTER

Mr. ST. PERE:

1. Is H. W. Mix, Postmaster at Ottawa, the same man as H. W. Mix, District Director of Postal Service in the city of Ottawa?

2. If so, in addition to his quarters in the Ottawa post office building, does he have an office in the transportation building, Rideau and Sussex streets?

3. How does he divide his time to perform both duties?

4. How much does he receive in respect of each position?

5. What is the amount of the rent for his office in the transportation building and who pays for it?

6. Since what date has he acted at District Director of Postal Service?

7. What was his salary as postmaster before and after the date mentioned in the preceding paragraph?

8. When he is in the post office building, who replaces him in the transportation building, and vice versa?

9. (a) how old is he; (b) was his age verified by the department on his certificate of birth?

10. Who appointed him to both positions and who recommended him each time to the department?

Mr. SAUVE:

1. It is the policy of the department to amalgamate the positions of postmaster and district Superintendent of postal service at centres where these two positions exist and to proceed with the amalgamation when either position becomes vacant. When the District Superintendent of Postal Service, Ottawa, died, the Civil Service Commission combined the two positions mentioned into one, with the title of District Director of Postal Services and promoted the remaining officer, Mr. H. W. Mix, formerly postmaster, to the new position.

2. In addition to his office in the Ottawa post office building, Mr. Mix has desk space in a room in the transportation building, pending the availability of sufficient space in one building to accommodate all the staffs and activities under his control.

3. According to the requirements of the service.

4. He occupies only one position and receives $4,500 a year.

5. See answer to No. 2.

6. 19th October, 1934.

7. Mr. Mix received $4,200 a year as postmaster.

8. The district director moves from one office to the other according to the exigencies of the postal service. He is not replaced in either office.

9. (a) 64 (b) verified by affidavit.

10. See answer to No. 1.

QUESTIONS PASSED AS ORDERS FOR RETURNS

PICTOU, N.S. FISHERIES INSPECTOR

Mr. DUFF:

1. When was George Adamson appointed Fisheries Inspector at Pictou, Nova Scotia?

2. Who were the other applicants for the place?

3. Was due notice given calling for applications for the place?

4. If so, what notice was given?

5. Was any notice given directly or indirectly to the officers of the Returned Men's Organization at Pictou?

6. If so, in what way?

Mr. CAHAN: Return tabled herewith.

PRICE SPREADS COMMISSION—EXPENDITURES

Mr. GOLDING:

1. Does the sum of $354,951.38 quoted in the return No. 228 as the total cost of the price spreads and mass buying investigation (as to March 14, 1935) include cost of printing, telegraph and telephone service, messengers, stenographers, secretaries, clerks and all other government employees who in any way assisted the committee or commission in their work?
2. If not, what was the additional cost of this service?
3. How many witnesses received expense allowance or other remuneration?
4. What are the names of the witnesses who received such allowance or remuneration?
5. What is the total amount voted by parliament for this investigation to this date?

CANADIAN IMPORTS

Mr. POULIOT:

1. From 1930 to 1934 inclusive, did Canada import: (a) apples; (b) honey; (c) eggs; (d) dressed beef; (e) bacon and hams; (f) concentrated milk; (g) butter; (h) cheese; (i) potatoes; (j) peas; (k) oats; (l) barley; (m) wheat, and (n) wheat flour?
2. If so, from what countries and what was the total amount of imports of each of the above-mentioned commodities from each country during that period?

Mr. HANSON (York-Sunbury): Return tabled herewith.

CANADIAN EXPORTS

Mr. POULIOT:

1. To what countries did Canada export: (a) apples; (b) honey; (c) eggs; (d) dressed beef; (e) bacon and hams; (f) concentrated milk; (g) butter; (h) cheese; (i) potatoes; (j) peas; (k) oats; (l) barley; (m) wheat, and (n) wheat flour, each year from 1930 to 1934 inclusive?
2. During that period, what was the total amount of exports of each of the above-mentioned commodities to each one of those countries?

Mr. HANSON (York-Sunbury): Return tabled herewith.

GASPÉ BIOLOGICAL STATION

Mr. MARCIL:

1. Has a site been chosen for the Biological Station which it is proposed to erect on the Gaspé coast?
2. If so, where is it situated?
3. What is the name of the French speaking scientist who is at present being given the necessary training at the Experimental Station at Halifax?
4. On whose recommendation was he appointed, and was an opportunity given to all and any, to qualify, who might be anxious to fill this position?
5. What is the salary paid and is the appointment of a temporary or permanent character?
6. Will there be more than one French speaking scientist appointed and what will be the mode of appointment?
7. Will the instruction to be given at the new station be bilingual?
8. Will it be dependent on the Halifax station, or will it be independent of that station?

Mr. STIRLING: Return tabled herewith.

ROYAL 22ND REGIMENT, QUEBEC

Mr. BOULANGER:

1. What is the present effective force, officers, non-commissioned officers and privates of the Royal 22nd Regiment of Quebec, with the exception of the band?
2. Who is the present commanding officer of the regiment, and when will his term of command expire?
3. Who is the second in command of the regiment?
4. What are the names of the officers commanding companies?
5. What are the names of the officers who left the regiment since January 1, 1930, to date, and to what unit were they attached after their departure?
6. What are the names of the new officers attached to the regiment since January 1, 1930, to date?

Mr. STIRLING: Return tabled herewith.

POTATO SUBSIDY

Mr. MICHAUD:

1. Since January 1, 1935, has the government, the Department of Agriculture or the marketing board granted or promised assistance or relief to the potato-growers of New Brunswick, or the Hatfield Company, or any other person or persons of New Brunswick, by way of a subsidy or grant for the manufacture of potato products?
2. If so, what is the nature of the arrangement, the amount granted, promised or guaranteed, and to whom?

CHARLOTTETOWN, P.E.I., PORT PHYSICIAN

Mr. MICHAUD:

1. What is the name and address of the port physician at the Port of Charlottetown, Prince Edward Island, and the amount which he receives for medical services in connection with his work?
2. What are the names and addresses of the physician or physicians employed in connection with the Indian reserves at Rocky Point, Scotchfort and Tracadie, or any reserve in Prince Edward Island, and the amount which each receives for his services?
3. Is there a physician in the employ of the Canadian National Railways at Charlottetown, Prince Edward Island; if so, what is his name and address, and the amount which he receives for his services yearly?

SMUGGLING—ATTORNEYS RETAINED

Mr. BOUCHARD:

1. What attorneys were employed by the federal government in connection with the prosecution of smugglers in Quebec during the year 1934?
2. How much was paid to each?

FLOUR IMPORTS

Mr. GERSHAW:

1. What was the amount and value of flour imported into Canada in the years 1928, 1929, 1930, 1931, 1932, 1933, and 1934?
2. From what countries did these imports come, and through what Canadian ports?
3. What duty, if any, was paid on these importations?

Mr. HANSON (York-Sunbury): Return tabled herewith.

MOTIONS FOR PAPERS

SINGLE MEN'S UNEMPLOYMENT RELIEF CAMPS

Mr. GERSHAW (for Mr. Gray):

For a copy of all orders, rules and regulations issued: (a) by the Department of National Defence; (b) by the Department of Labour; (c) by the Department of the Interior, in any way relating to the operation of single men's unemployment relief camps.

BANK OF CANADA—APPOINTMENT OF OFFICERS

Mr. MACKENZIE (Vancouver):

For a copy of all correspondence, memoranda or written representations, exchanged between any member of the government or the Deputy Minister of Finance and any chartered bank with reference to the appointment of any officer of the Bank of Canada.

Mr. RHODES: There is no objection to this motion passing, but may I point out to the hon. member for Vancouver Centre that I rather fear it will be barren of results, because so far as I know there is no such correspondence. The same observations apply with respect to the next motion.

For a copy of all correspondence, memoranda or written representations, exchanged between any member of the government or the Deputy Minister of Finance and any member of the House of Commons or of the Senate with reference to the appointment of any officer of the Bank of Canada.

Motions agreed to.

BANK OF CANADA—GOLD TURN OVER

Mr. DUFF (for Mr. Power):

For a copy of all correspondence or memoranda exchanged between any member of the government and any chartered bank of Canada with reference to the quantity of gold which the said chartered banks or any of them were obligated to turn over to the Bank of Canada at the time of its opening for business.

Mr. RHODES: This motion will have to be accepted with marked reservations. So far as the information with respect to the quantity of gold is concerned there is no objection to that information being given. I must say however that the correspondence deals with intimate details of foreign exchange accounts of customers of the bank, and it would not be in the public interest to disclose that intimate information. Subject to this reservation I am content that the motion should pass.

Motion agreed to.

VESSEL PAUL T—DESTRUCTION OF CARGO

Mr. VENIOT:

For a copy of the correspondence exchanged between the attorney general of the province of New Brunswick and the Department of National Revenue of Canada, or the Department of Justice, with reference to the destruction of the Paul T, her cargo of liquor and her ship's stores.

Also a copy of the order for the destruction of the cargo of liquor of the Paul T, the destruction of the said Paul T and the destruction of her ship's stores.

INSTRUCTIONS TO LONDON OFFICIALS

Mr. POULIOT:

For a copy of the instructions given by the ministers of the departments concerned to their officers in London to bring them more effectively under the supervision of the high commissioner since 1930, and also of all the correspondence in the possession of the government in that connection.

HERMÉNÉGILDE BOULAY

Mr. VENIOT (for Mr. Michaud):

For a copy of all letters, papers, telegrams and other documents, relating to claim of Mr. Herménégilde Boulay and others for compensation for destruction of their properties by fire, at Oliver Siding, county of Restigouche, New Brunswick, due to alleged negligence of the Royal Canadian Mounted Police.

UPPER PORT LA TOUR, N.S., WHARF

Mr. DUFF (for Mr. Ralston):

For a copy of all papers, correspondence, telegrams, bills, paylists and other documents, in the possession of the Department of Public Works with respect to any work done or material furnished in connection with wharf repairs at Upper Port La Tour, Shelburne county, Nova Scotia, during the year 1934.

ILLNESS OF PRIME MINISTER

On the orders of the day:

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): Mr. Speaker, I am happy to be able to inform the house that yesterday I had a long talk with the Prime Minister and found that he is making continued progress towards recovery. We are expecting his time in bed will be over next Thursday, and that he will then be able to move about in his room for a few days after which he will be able to get out. The doctor handed me the following statement this morning which I will read so that it may be on Hansard:

The Prime Minister's convalescence has proceeded satisfactorily and without incident during the past week. It is expected that he will leave his bed some day this week.

April 1, 1935. R. S. Stevens.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Mr. Speaker, I am sure that the country as well as the house will be pleased to receive this favourable word of the Prime Minister's convalescence, and I hope that the acting leader of the government will convey to the Prime Minister from all of us our pleasure at knowing that he is making such a splendid recovery.

Sir GEORGE PERLEY: Thank you.

BRITISH NORTH AMERICA ACT

QUESTION AS TO INTERPRETATION OF SECTION 50 BEARING UPON DURATION OF PRESENT PARLIAMENT

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): May I ask a question of the ministry with a view to removing a doubt as to the meaning of section 50 of the British North America Act and its bearing upon the duration of the present session of parliament. I shall not expect an answer from the ministry at the moment, but the question might perhaps stand as a notice of motion. I would like to make clear before asking the question that I am aware of the rule which provides that members are not to seek legal opinions from the government. I am not seeking a legal opinion. The matter is one that concerns the proceedings of this house and is of great public interest and therefore I hope the government will be able to give a definite reply.

Sestion 50 of the British North America Act reads as follws:

> Every House of Commons shall continue for five years from the day of the return of the writs for choosing the house (subject to be sooner dissolved by the governor general), and no longer.

In the minds of some there is an ambiguity in the words "the day of the return of the writs" as to whether they mean the day fixed in the proclamation of the election for the return of the writs, or the day of the receipt by the chief electoral officer of the last writ to be received.

The proclamation that was issued on May 30, 1930, ordered that writs were to issue in due form for calling a parliament "which writs" it set forth, "are to bear date of the 30th day of May, 1930; and to be returnable on the 18th day of August." If the construction of the government is that the day referred to in the expression used in the proclamation with regard to the election "returnable on the 18th day of August" is that of the day referred to as the cessation of the continuance of this House of Commons that I believe will accord with the view which is most generally held and which I believe to be the correct view. On the other hand, as I have said, there are some who believe the date is that on which the last writ was received by the chief electoral officer. No doubt the chief electoral officer himself will be able to give a definite opinion on the matter.

The questions which I wish to ask in the circumstances are the following.

In the opinion of the government:

(1) Which was the day of the return of the writs for choosing the present House of Commons?

(2) When does the present House of Commons cease to continue?

(3) Is it necessary that the writs for a general election be issued during the duration of the House of Commons?

(4) Is there a limit to the period of time which may elapse between the date of the issue of the writs for a general election and the day of polling?

Hon. HUGH GUTHRIE (Minister of Justice): Mr. Speaker, I think those are proper questions and the replies will be submitted in due course. I will make inquiry to-morrow in regard to the matter.

UNEMPLOYMENT RELIEF

On the orders of the day:

Hon. IAN MACKENZIE (Vancouver Centre): Mr. Speaker, in view of the unemployment relief measure expiring yesterday, may I ask the Minister of Labour if he has any announcement to make with respect to new measures to be taken in the situation?

Hon. W. A. GORDON (Minister of Labour): Mr. Speaker, the act of 1934 expired by the effluxion of time at the end of March. The bill which went through this house a few days ago has not yet passed the Senate or received royal assent, but I do not anticipate that there will be any considerable delay in the bill passing through the other house and receiving royal assent. I do not anticipate that there will be any confusion in the meantime because there will be a very short interval between the expiration of the one act and the coming into force of the other.

EASTERN POTATO GROWERS

On the orders of the day:

Hon. ROBERT WEIR (Minister of Agriculture): Mr. Speaker, with further reference to a question that was asked on Monday last

by the hon. member for Gloucester (Mr. Veniot) if I had any information as to whether Quebec was wishing to come in under the eastern Canada potato marketing scheme, for his information I advise that I received this morning official notification from the Hon. J. A. Godbout, Minister of Agriculture for Quebec, which translated reads as follows:

In reply to the requests of a large number of interested growers, I am enclosing herewith a memo. in which I recommend the application of the eastern Canada potato marketing scheme to the province of Quebec.

I trust that you will see your way clear to grant the above request, and I remain,

Yours very truly,

J. Adélard Godbout,
Minister of Agriculture for Quebec.

RAILWAYS AND SHIPPING

ANNOUNCEMENT BY MINISTER OF MEETING OF SPECIAL COMMITTEE

On the orders of the day:

Hon. R. J. MANION (Minister of Railways and Canals): Mr. Speaker, for the information of the house I should like to say that I had hoped to be able to table to-day the reports of the Canadian National Railways, the Canadian National Steamships, and the auditors' reports connected therewith, but through some slip-up they were not quite ready. I shall table them to-morrow. My reason for mentioning the matter is this. If it is satisfactory to the members of the special railway committee which deals with these matters I shall ask the officers of the railways and the steamships to be here for a meeting of the committee on Wednesday morning, and we can hold the meetings of that committee from that day on for the length of time that is necessary. If there should be any objection from the members of the committee to that date, we can change the date to suit them. I am merely giving this notice in order to give the members of that committee an opportunity to express their opinion as to the date, and if I hear nothing to the contrary I shall ask the officers to be here on Wednesday morning next.

Mr. WILFRED HANBURY (Vancouver-Burrard): I would remind the minister that Wednesday morning will probably be the last caucus held by the Liberal party before the general election, and we have much to discuss.

Mr. WILLIAM DUFF (Antigonish-Guysborough): May I suggest to the minister that the meeting be called for Thursday instead of Wednesday?

[Mr. R. Weir.]

Mr. MANION: I have no objection. I shall be glad to make it Thursday instead of Wednesday. It makes it rather a short week, but I certainly wish to meet the desires of hon. members, so if it is the wish of the committee we will make it Thursday instead of Wednesday.

CANADIAN NATIONAL RAILWAYS

TELEGRAM URGING COMPLETION OF ST. WALBURG-EDMONTON BRANCH LINE

On the orders of the day:

Mr. CAMERON R. McINTOSH (North Battleford): I have a question to direct to the Minister of Railways. It is based on a telegram dated Loon Lake, Saskatchewan, March, 27, via Meadow Lake, and reads as follows:

C. R. McIntosh, M.P.,
Ottawa, Ontario.

Telegrams have been forwarded to the following: Hon. Doctor Manion, M.P., John Vallance, M.P., F. R. MacMillan, M.P., advising that petitions are being mailed from residents of Barthel, Loon Lake, Loon River, Makwa, Flat Valley, Goodsoil, Beacon Hill, Pierceland in northwestern Saskatchewan, and Cherry Grove, Beaver Crossing and Cold Lake in northern Alberta, asking completion of railway and steel on St. Walburg-Edmonton branch Canadian National Railways.

Northern Railways Development Association,
Charles F. Marshall, President.

The question I want to ask is this. May I inquire of the minister if he can, for the information of parliament and the country, add anything to his answer to a similar question of Wednesday, March 6, when he intimated that there might be some action taken and a sum of money set aside for this pressing railway project?

Hon. R. J. MANION (Minister of Railways and Canals): Mr. Speaker, I do not know that I intimated that there would be any money set aside. As a matter of fact I am not in control of that matter. The management of the railways make their own estimates. However, the hon. gentleman has just heard me announce a meeting of the special railway committee for Thursday next, and I invite him now to come before that committee and ask the officers of the railway what their recommendation will probably be. My hon. friend will be very welcome to come before the committee so far as I am concerned, and I do not think there will be any objection from anyone.

Mr. McINTOSH: Mr. Speaker, I shall accept that invitation.

RELIEF PAYMENTS TO ONTARIO

On the orders of the day:

Mr. W. P. MULOCK (North York): Mr. Speaker, may I ask the Minister of Labour when I may expect an answer to the question standing as No. 1 under Questions of March 11, and reading as follows:

What contributions, if any, did the dominion government give to the province of Ontario for relief expenditures in each of the months of July to December inclusive, 1933, the month of January, 1934; the months of July to December inclusive, 1934; the month of January, 1935?

Hon. W. A. GORDON (Minister of Labour): Mr. Speaker, the form of the question has caused any delay which has occurred in its being answered. It is very difficult to allocate to any month the amount of money which has been contributed to any province. The books of the department indicate the contributions which have been made in connection with approvals given under particular statutes, whether it be 1930, 1931, 1932, 1933 or 1934 and an effort is being made to allocate these amounts to the different months as nearly as possible. I had hoped that I would be able to table an appropriate explanation to-day but on inquiry this morning I find it is not yet complete. I hope to do this to-morrow.

SEED GRAIN

On the orders of the day:

Hon. E. N. RHODES (Minister of Finance): Mr. Speaker, last week the hon. member for Kindersley (Mr. Carmichael) asked if any requests had been received from the province of Saskatchewan for the guaranteeing of accounts for seed oats and wheat. I saw the hon. member later on and he told me he was leaving town. I told him I would submit an answer in his absence but I have been unable to do so until now. A telegram was received from the premier of Saskatchewan, I believe shortly after the hon. member asked his question although at that time it was no doubt en route. At the request of the government of Saskatchewan last autumn this government agreed to arrange for the purchase by the Canadian Cooperative Wheat Producers Limited of options covering a large quantity of wheat and oats and at the present time is in communication by telegram with the premier of Saskatchewan to ascertain to what extent the province proposes to exercise these options. A definite answer cannot be given to the hon. member's question until a further reply is received from the premier of Saskatchewan.

THE KING'S SILVER JUBILEE

PROCLAMATION OF GOVERNOR GENERAL ADDRESSED TO RELIGIOUS BODIES AND SETTING APART MONDAY MAY 6 AS DAY OF THANKSGIVING AND REJOICING

On the orders of the day:

Hon. C. H. CAHAN (Secretary of State): Mr. Speaker, I ask leave of the house to make a statement in connection with the celebration throughout Canada of the King's silver jubilee. On February 27 last a proclamation was issued by His Excellency the Governor-General, requesting the heads of the clergy of all religious denominations throughout Canada to have appropriate references to His Majesty's silver jubilee made at church services on Sunday, May 5th. Special orders of service have been arranged by the heads of some of the religious denominations and intimations have been received from the heads of other churches that appropriate measures will be taken to give effect to the request contained in the proclamation.

The proclamation of the 27th February also proclaimed Monday, the 6th May, to be observed throughout the dominion as a day of general thanksgiving and rejoicing on the occasion of the jubilee. It is, therefore, proclaimed a public holiday throughout Canada and it will undoubtedly be observed accordingly throughout the country.

On Monday, May 6th, a ceremony will take place on parliament hill in Ottawa, which will be attended by His Excellency the Governor-General. At the various provincial capitals similar ceremonies are being arranged which will be attended by the lieutenant-governors of the provinces. In other cities, towns and municipalities throughout the dominion, local celebrations will be arranged by the mayors or other civic authorities. The ceremony at Ottawa will, it is expected, be broadcast by the Canadian radio commission and will commence at eleven o'clock, Ottawa daylight saving time.

On parliament hill the units of the defence forces, veterans and ex-service men, police force, firemen, school children, boy scouts, girl guides and other organizations and formed bodies will be assembled in front of the peace tower. It is planned to arrange, if possible, that there shall be a massed choir to lead in the singing. While the audience is assembling, commencing at 10.30, there will be a program of appropriate music on the carillon. At 11.00 o'clock a 21-gun salute will be fired, and church bells well be rung and church chimes played. At 11.07, the massed choir will lead in the singing of "God Save the King".

This will be followed by the address of His Excellency the Governor General. The massed choir will then lead in the singing of "Land of Hope and Glory". Then will follow the address of the Right Honourable, the Prime Minister or, in his absence, the minister who speaks for His Majesty's government in Canada, and an address by the Right Honourable the Leader of the Opposition.

His Excellency the Governor General will then present His Majesty's silver jubilee medals to some of those residents of Ottawa to whom they will be awarded. As the number may be considerable, it is not expected that all the presentations will be made at the ceremony. The massed choir will then lead in the singing of "O Canada", and this will be followed by the "March Past" of the formed bodies.

His worship the mayor of Ottawa and the city council have kindly offered to cooperate in the arrangements for the ceremony, and their assistance in the arrangements is greatly appreciated.

The ceremonies in the other communities will likely follow the outline of the program at Ottawa. It is earnestly hoped that the civic authorities in the cities, towns and other municipalities throughout the country will take early steps to arrange appropriate programs for the celebration, and that members of parliament will communicate with the civic and municipal authorities in their several electoral districts soliciting their cordial cooperation.

Mr. MARCIL: Is any part of that program to be in French?

Mr. CAHAN: I do not now know the details.

Mr. MARCIL: There are two or three million Canadians who speak the French language and it would be a compliment to them to have part of this program in French.

Mr. CAHAN: This announcement is being made both in French and English and I have no doubt that in all communities where there is a considerable population speaking French arrangements will be made to have the whole or a part of the programs in French.

Mr. MARCIL: I am referring to the federal program.

Mr. CAHAN: The announcement I have made refers only to the celebration at Ottawa. The government of Quebec will no doubt arrange for its provincial program and there will be celebrations in the different communities.

[Mr. Cahan.]

Mr. MARCIL: I should like the federal program to be part French and part English. No doubt there will be a large number of French speaking Canadians who will be present and if they do not understand English they will not be able to enjoy the program.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): The hon. gentleman may rest assured that every care will be taken to see that the celebration of the King's silver jubilee will be satisfactory to both of our old races.

Mr. DUFF: No reference was made as to the part to be played by the members of the Senate and House of Commons. I should like to know why that omission has been made.

Mr. CAHAN: I am simply making an announcement but later on a special program will be printed and distributed. This program will provide for the presence of members of the Senate and House of Commons. However, it is quite possible that on that day the members of the Senate and House of Commons may be in their own constituencies where it is hoped they will take a special part in the local celebrations.

UNEMPLOYMENT RELIEF CAMPS

On the orders of the day:

Hon. GROTE STIRLING (Minister of National Defence): Mr. Speaker, I beg leave to table copy of order in council P.C. 861, dated to-day and to make a short statement in connection therewith. This order in council provides for the setting up of a commission to inquire into the complaints which have been made with respect to the administration and management of the relief camps established by the Department of National Defence in British Columbia. The dominion government has held the view that as these camps have been set up in aid of the province of British Columbia it was proper for the members of the British Columbia government to visit them and satisfy themselves and the public as to conditions existing therein. On many occasions they have been invited to do so but have repeatedly declined the invitation. The government has therefore decided to appoint a commission, to listen to complaints from men who are or were in these camps, to investigate and report, the purpose being to inform the public of conditions obtaining in the camps. The commission consists of the Hon. W. A. Macdonald, late of the Supreme Court of British Columbia, chairman; Mr. Charles T. McHattie, vice president, Gaults Limited, and chairman, board of directors of the Van-

couver Welfare Federation; and the Reverend E. D. Braden, organizing chairman and United Church representative on the joint committee of relief camp religious work.

FARM LOAN ACT

On the orders of the day:

Mr. ROBERT McKENZIE (Assiniboia): In consequence of several letters I have received, may I ask the Minister of Finance when he anticipates that the federal farm loan legislation will be available to applicants from Saskatchewan.

Hon. E. N. RHODES (Minister of Finance): If my hon. friend can inform me when the bill which is now before the Senate will pass and receive the royal assent I can answer him; otherwise I am not in a position to do so, because the machinery cannot function until the amending bill is passed.

Mr. VENIOT: Will it apply at the same time to all the provinces?

Mr. RHODES: Yes.

OYSTER FISHERY

On the orders of the day:

Mr. A. E. MacLEAN (Prince): May I ask the government whether parts of East river, North river and West river, Prince Edward Island, are closed or will be closed to oyster fishing for the season of 1935?

Hon. GROTE STIRLING (Acting Minister of Fisheries): I shall be very glad to look into the matter raised by my hon. friend and see that he gets an answer.

EXECUTION OF THOMASINA SARAO

PROVINCIAL RESPONSIBILITY FOR ADMINISTRATION OF JUSTICE

On the orders of the day:

Hon. HUGH GUTHRIE (Minister of Justice): May I be permitted to mention a matter which has received a great deal of prominence in the press and caused a great many inquiries of the Department of Justice in regard to the unfortunate incident which occurred in Montreal on Friday last during the execution by capital punishment of a woman by the name of Sarao. It has been stated in some of the newspapers, and certainly has been intimated to me in a good many telephone messages, that in some way or other the Department of Justice should take this matter up and have an inquiry into it. For the information of those in the house and out of it, may I say that the administration of law in Canada, both civil and criminal, is under the jurisdiction of the various provinces and not of the dominion. This dominion has nothing to do with executions or with capital punishment; that is a matter entirely under the jurisdiction of the provinces. While we pass the criminal code the law is carried out in all respects by the provincial authorities. I believe that in the province of Quebec, as in other provinces, the sheriff is the official who is charged with the carrying out of such sentences. I know nothing about the matter, but I see by the paper to-day that complaint has been made to me by a Mr. Lattoni, who was counsel engaged for the unfortunate woman at her trial. He says in his letter, as I read it in the newspapers—because the letter has not yet been received by the department:

> In view of the unusual circumstances above mentioned, I earnestly request that a complete investigation be made of all the facts surrounding the execution of Mrs. Sarao.

All I can do in regard to the matter is to refer the letter, when it does come, to the attorney general's department of Quebec.

SUPPLY—EUROPEAN SITUATION

AMENDMENT BY MR. BOURASSA REAFFIRMING ADHESION TO TREATY FOR RENUNCIATION OF WAR

Hon. E. N. RHODES (Minister of Finance) moved that the house go into committee of supply.

Mr. HENRI BOURASSA (Labelle): Before we proceed with this order of business I would ask the patience of the house while I endeavour to impress upon hon. members, irrespective of party, the gravity of the situation that now exists in Europe, threatening the peace of the world, with its possible consequences to our own country. In the name of all the true friends of peace in Canada, I thank the acting Prime Minister (Sir George Perley) for having given me this opportunity. I wish it had fallen to the lot of one higher in authority and with more power; though perhaps that defect will be compensated by the fact, which I think is generally acknowledged now, that, being detached from all parties, I am perhaps in a better position to submit this question to the house without any party consideration, either for or against the government or for or against the opposition.

Ever since the opening of the session I have received communications from various provinces of Canada asking me to take this initiative. Some of these communications, I may say, are from men who played a valorous part in the last war, both officers and privates. Had I followed their advice, the motion that I am going to present would be couched in much stronger terms. However, I thought it preferable, while making clear the object in which I will crave the concurrence of the house, to put it in the mildest terms possible, so as to make it easy for all men of good will to cooperate towards the end I have in view. The motion I will submit at the close of my speech will read:

That all the words after "That" be struck out and the following substituted therefor:

"this house reiterates the adhesion of Canada to the general treaty for the renunciation of war signed at Paris on the 27th day of August, 1928, and approved by this house on the 22nd day of February, 1929."

It invites the government to lend its support to all effective measures to ensure the world's peace, either through the League of Nations or otherwise, in cooperation with other governments pledged to the cause of peace.

That Canada stands pledged to the cause of peace need not be argued. At almost every meeting of the League of Nations, the authorized representatives of this dominion have asserted unequivocally, not only the wish, but the decision of the Canadian people to renounce war. May I mention the remarks made at the first meeting of the league, in 1920, by Mr. Rowell; then a pronouncement by Mr. Doherty at the second meting in 1921; declarations made by Senator Dandurand, as a member of the government, in 1924 and 1925; then after the signing of the pact, remarks made by Sir George Foster in 1929 and by Sir Robert Borden in 1930. But I wish especially to quote, unfortunately not as much as I would like, parts of the very eloquent speech delivered at the general assembly of the league on September 27, 1933, by the present Minister of Railways (Mr. Manion):

It appears to me that at no time in the history of the world have so many agreements and pacts guaranteeing the security of nations been in existence; and yet it also appears to me that at no time since the armistice has there been quite so much uncertainty and fear in the world as there is at the present moment.

Could not those words be repeated to-day?

The pact of Paris expresses the Canadian attitude towards war almost completely. In other words, we believe that war as a method of settling international disputes should be outlawed, and that all disputes, whatever their kind, should be settled by pacific means. Until that pact is accepted in principle and adopted in practice among the nations of the world, it would appear that civilization as we know it is in great danger of complete destruction....

Canada, in its dealings with the league, has been in the habit of putting first things first, and it is felt very generally among Canadians that, while there are both primary and secondary functions of the league, the primary function, the main objective, the real goal of the League of Nations is to preserve international peace; in other words, to prevent war among the nations of the world.

And then he said, I think, in conclusion:

Let us remember this individually, and let us at the same time keep in mind as a motto among ourselves these splendid words of Goethe written from Rome over a century ago: "I am a man of peace and I want to preserve peace constantly."

But, without being unjust to anyone, may I say that the one Canadian statesman who has done most for the cause of peace, not only in words but in deeds, is the present leader of the opposition (Mr. Mackenzie King), when he was Prime Minister of Canada. Is it necessary to refer to his firm attitude at the time of the Chanak incident, in 1922, when he resisted on the one hand the frantic appeals of two ministers of the crown in England, and on the other an equally frantic appeal launched in Canada, an appeal which I might call the last cry of blatant imperialism? In doing so, the then Prime Minister, not only did his duty by Canada, but rendered to Great Britain, the British empire and the world at large the best service that it was in his capacity to render; and all leading men in England, irrespective of party, have since admitted that.

Not only did he assume that attitude then; but when the terms of the then so-called Briand-Kellogg pact were being discussed, befor the signing of the treaty, the Prime Minister, in his capacity as Secretary of State for External Affairs, wrote to the United States minister at Ottawa, Mr. Phillips, to express his unreserved adherence to the proposal. From that letter I want to extract and put on record these two short sentences:

The preeminent value of the league lies in its positive and preventive action. It is true that the covenant also contemplates the application of sanctions in the event of a member **state going to war, if in so doing it has broken** the pledges of the covenant to seek a peaceful solution of disputes. Canada has always opposed any interpretation of the covenant which would involve the application of these sanctions automatically or by the decision of other states.

In that short sentence the Prime Minister of the day took away from that covenant one of its most equivocal and dangerous dispositions, as far as Canada and other countries were concerned. In that respect also he has deserved the gratitude of the people of Can-

ada and of all friends of peace in the world. That unequivocal acceptance of the spirit of the pact, on the part of the then Prime Minister of Canada, stood in contrast to a singular reservation expressed by the Foreign Secretary in London, Mr. Austen Chamberlain, to which I shall refer in another part of my remarks.

The treaty was signed at Paris on August 27, 1928. A few days later the League of Nations was again convened, and on the 7th of September, at one of the plenary sittings, dealing, I think, with the arbitration court, the then Prime Minister, who represented Canada at that meeting, made these statements:

> Our country is a land of reconciliation. In achieving racial concord within our borders, we have for more than a century successfully exemplified the fulfilment of at least one fundamental principal of the league.
>
> In another particular, namely, in achieving international peace with our great neighbour, we have fulfilled for more than a century another fundamental principle of the league....
>
> For a distance of over three thousand miles, stretching from the waters of the Atlantic ocean on the east to those of the Pacific ocean on the west, the frontier of Canada is divided from that of the United States by a boundary which is undefended from coast to coast....
>
> Of that undefended frontier of more than three thousand miles, I should like to say just a word, for it is intimately related to the subject matter of the treaty recently signed at Paris. It symbolizes the renunciation of war as an instrument of national policy.

And toward the conclusion of his remarks, he said:

> There, I believe, is the key to our prosperity. That is why we believe as we do in disarmament, not only as a means of preventing war and maintaining peace, but as an essential of prosperity. It is the reason why we are proud to be numbered among those nations which belong to the League of Nations which aims at providing effective guarantees for the peace of the world; it is the reason why we welcome, from any and every source, any and every instrument which gives promise of eliminating fear and establishing confidence in the relations of nations with each other.

I just mention in passing, because quoting it would carry us too far, the speech delivered by the then Prime Minister in this house on February 19, 1929, when he moved that the house approve of the treaty. Now let us come to the treaty itself, the gist of which is contained in two short articles:

> I.—The high contracting parties solemnly declare in the names of their respective peoples that they condemn recourse to war for the solution of international controversies and renounce it as an instrument of national policy in their relations with one another.
>
> II.—The high contracting parties agree that the settlement or solution of all disputes or conflicts of whatever nature or of whatever origin they may be, which may arise among them, shall never be solved except by pacific means.

Now, sir, to that solemn profession of faith in peace we have committed ourselves, first by the signature of the Prime Minister of Canada given at Paris on the 27th August, 1928, then by the formal and unanimous approval of that treaty by the Senate of Canada on the 15th February, 1929, after six months of reflection, and again by the unanimous approval of this house on the 22nd February, 1929. If those speeches were made in all sincerity; if the Prime Minister of Canada spoke for the Canadian nation at Paris and Geneva; if the Senate and House of Commons spoke for this nation, through the speeches of some of their members and by their unanimous votes, when they declared that this country renounced war forever and never would have recourse to war under any pretence, whatever the cause or the origin might be, I say the time is upon us when those words must be made good and declared to the world as being the standing policy of Canada and the declared policy of its government, or rather of its parliament as representing the will of the Canadian nation. If we were sincere, and I believe, I know, we were sincere, we must do all we can in our humble capacity as a weak nation, but in our strength as a nation unfettered with any alliance, holy or unholy, for war, to take means or help other nations to take means to prevent war.

If that cannot be done we have another duty to perform; it is to take means now to preserve Canada from being engulfed once more in the turmoil of war. To accomplish that purpose we have four methods to pursue, not parallel, not divergent, but converging. The first method is to define and frame our own policy for peace. The second is to cooperate as much as we can with the government of the United Kingdom, provided, of course, we are sure that the government of Great Britain works for peace. The third is to cooperate if possible with the government of the United States, with the same object. And the fourth is to do all we can, through the League of Nations, to attain that same object, if that league is still willing to maintain and capable of maintaining peace.

With regard to Canada's policy I will state my views quite simply; but in order to make them more acceptable I will express them in the terms used in the Senate last year by a gentleman who once occupied a seat in this house, a gentleman who I think is still one of the leaders of the Conservative party and who, which is more to my purpose to-day, proved on the field of battle that he was not a slacker. I am referring to

Senator McRae, who on the 17th April, 1934, in one of the most eloquent denunciations of war I have ever read, made this statement, to which I direct the attention of all hon. members of this house:

> The horrors of the last war have not been forgotten. That the next war will be infinitely worse is generally appreciated. People, as always, have learned nothing and forgotten nothing, and in the circumstances there will be war in Europe. The situation presents this remarkable paradox, that while the nations all agree that another war will mean the end of European civilization, the same nations are to-day preoccupied in preparing for that war!

As I said a moment ago, in referring to the speech delivered in Geneva by the Minister of Railways (Mr. Manion), could not those words be uttered this week? Then General McRae went on:

> Doctor Nicholas Murray Butler says, "The safest nations in the world are the unarmed nations, the Switzerlands, the Denmarks, the Norways and the Swedens."

To which he added these few but pregnant words:

> Let us add Canada to the list.

If there are any members of this house who are disposed to be astonished at the suggestion that Canada should proclaim her neutrality to the world at large, may I remind hon. members that this is no new suggestion. As far back as 1862, one of the founders of confederation, to whom a monument has been erected at the back of this building, facing the Ottawa river and the Laurentian mountains, looking over a broad horizon on which his eagle eye gazed as he thought of the great future of Canada, brought forward this suggestion. I am referring to D'Arcy McGee. What did he suggest as a counter-proposition to the proposal of the then government to organize the defence of Canada? He suggested that Canada should proclaim her neutrality to the world at large, and on that stand he was reelected for his constituency of Montreal West and invited by John A. Macdonald and George Etienne Cartier to become a member of the coalition government which brought about confederation. Surely if one of the founders of confederation could propose Canada's neutrality in 1862, and if in 1934 one of the most distinguished officers of the Canadian army could proclaim the same thing, are we not on safe ground in saying that this should be the basis of our national policy?

For a century after the conquest of Canada by England, the whole policy, first of England, and then of the growing colonies of Nova Scotia, New Brunswick, Quebec and Ontario, then Lower and Upper Canada, was directed with one thought in mind: arming Canada to defend herself against the United States. That was the idea that D'Arcy McGee denounced as being both absurd and irrational. His voice remained unheard at the time, but as time went on common sense prevailed. To-day it has come to the point when all parties, all governments, all leaders boast of the fact that as against the only powerful nation whose attack we may dread we have not a single fort, not a single cannon, not a single arm of defence. Again I could quote the leader of the opposition, when in Geneva he cited that example as being an illustration, a century in advance, of the attitude of Canada with regard to the renunciation of war. Why not make this true for the rest of the world? If it has been found that the safest defence for Canada against the only nation which may think of attacking us is to disarm, why should we arm against Germany, Italy, Russia, Japan, China or any other country?

Suppose we had in the last fifty years educated and directed the public opinion of Canada towards the goal which has been realized on paper—but I am afraid not otherwise—in the terms of this great treaty; had we thus directed the thoughts, the aspirations and the common sense of all classes of Canadians, do you not think, sir, that we would now be proud to boast that Canada stands disarmed in the midst of nations armed to the teeth? Had we done that, had public opinion been educated along those lines twenty years ago, would 50,000 of the best sons of Canada lie buried to-day in the soil of Flanders? Would hundreds of thousands of Canadians, young men and women, have been unrooted from the fertile soil of the plains of Canada to become human wrecks and dole receivers in our large cities? I was going to say it would take fifty years to repair the evils—but no, the evil will never be repaired. Those dead men will never resurrect. Those hopes will always be buried in the soil of a foreign land with which Canada had nothing to do. Generations of Canadians will remain under the yoke of debts, public and private, which we have incurred to kill, to destroy, to brutify the world.

But at least, if we cannot repair the past, shall we not think of the future? I appeal to the fathers of families, inside and beyond the walls of this house, to the hearts of the mothers: Shall we not do something now to save our children and our grandchildren the agonies through which the generation of to-day has passed? Yes, let us here and now signify to the world that the words pronounced a year and a half ago in Geneva by the Minister of Railways and Canals were true, that we stand by them, that we are

men of peace and that we are ready to help maintain peace. Let us also serve to the world as a notice this second declaration of Senator McRae:

It is bad enough to send our boys to kill in defence of their country. It is unthinkable that Canadian sons should be sent to Europe to war with these nation-mad sons of a decaying civilization.

Had I to express those words in my own terms I would change the two last words. I do not believe European nations are any more decayed than we are. Those who know the circumstances—historic, geographic, ethnical, economic—through which those great and antiquated nations have passed in the centuries should be sober in the judgment they pronounce. But surely we ought to stand behind the rest of the statement and say that we have no reason to risk the lives of our sons and the future of our country through quarrels in Europe over which we have no control whatever—in their origin, in their direction or in their conclusion.

My second point is that in order to accomplish something we must as much as possible cooperate with the government of Great Britain. For years I have been depicted as an enemy of everything British because, forsooth, when I had to choose between the interests of Canada and those of Great Britain I stood by Canada; or because, again, when I had to choose between the principles of English Liberalism, in the broad sense of the word, and the ambitions of English Toryism, I preferred to stick to the traditional policy of the Brights, the Gladstones and the English Liberals rather than to become an instrument of Mr. Joseph Chamberlain or any other new imperialist of Great Britain. That was a matter of choice, and I still think the best homage I could render to Great Britain was to act as a free British subject and to choose for my country the policy I thought best.

It is said frequently that the British empire is the strongest bulwark of peace. Well, this is partly true and partly false. I think it would be more accurate to say it is alternately true and false. As a matter of historical fact, not to go beyond the end of the eighteenth century, namely, during that period of transition from the old world preceding the French revolution and the new chaos which is still in process of readjustment, Great Britain has waged, provoked or sustained more wars than all other nations of Europe combined. Of course that is easy to explain. It is not that the British people like war any more than any other nation. Instinctively the average Englishman is a lover of peace. But because of the extension of the British empire, Great Britain had more causes of war the world over than any other nation. Then her pretension, justified or not,—I am not disputing it at the moment—of commanding the seas and of being the sole arbiter in respect to neutral trade during all wars, was in itself a constant provocation and brought England into war or to the verge of war alternately with Spain, France, Denmark, Holland, Russia and the United States. But, fortunately or otherwise, that phase of British history is passing.

What is better for our present concern is this, that after every great war in which England took a share, either directly or through subsidized armies on the continent, the British government has always stood for peace, and this for several reasons. At times it was to digest the conquests she had made, either by herself or through her allies. At other times it was because, with their solid common sense, the British realized that it was not sufficient to claim and enjoy victory, but that the economic balance of the country must be restored. That was the part played by Castlereagh and by Wellington at Paris in 1814 and at Vienna in 1815. Lloyd George himself, at Genoa, was proud to declare that he was simply going back to Castlereagh's policy in his endeavours to conciliate Germany and prevent France from crushing her under impossible conditions of peace. I do believe that the English government and the English nation are still in that mood, but I also believe it is passing.

The reservation made by Mr. Austen Chamberlain before the conclusion of the Paris pact is ominous. Under paragraph 10 of his note delivered to the American ambassador in London on the 19th of May, 1928, he says:

The language of article 1—

Which I read a moment ago:

—as to the renunciation of war as an instrument of national policy renders it desirable that I should remind Your Excellency that there are certain regions of the world the welfare and integrity of which constitute a special and vital interest for our peace and safety. His Majesty's government have been at pains to make it clear in the past that interferences with these regions cannot be suffered. Their protection against attack is to the British empire a measure of self-defence. It must be clearly understood that His Majesty's government in Great Britain accept the new treaty—

The treaty for the renunciation of war:

—upon the distinct understanding that it does not prejudice their freedom of action in this respect.

In other words, under this extremely important statement, the foreign secretary, speaking for his government and for the English nation, reserved to England the right to designate at her choice, upon any future occasion, which parts of the world where she would renounce war and which parts of the world where she considered herself free to wage war without defining them at all. It might be Egypt one day, the sea of China another day, the Straits Settlements another —there was no definition. The minister reserved to his government complete freedom of action. It might be Copenhagen one day, where a fleet might endanger the British empire. Nobody knows. He never defined it.

It was then, I repeat, that quite rightly, the Prime Minister of Canada adhered to that treaty without such a reservation. But I hope that we owe it, to ourselves first, and secondly in due loyalty to the British nation, and thirdly in due loyalty to the other signatories of the pact, to declare that we are not committed by that reservation, by that undefined reservation. In other words, we should signify politely but firmly to the British government that we are prepared to stand by them to help the British nation carry forward all measures for peace, but also that we are prepared to act according to the word given by Senator McRae last year, to stay at home if England chooses to go to war for causes which are foreign to Canada.

Now on the question of enlarging the scope of our relations with Great Britain in matters of peace and war, may I repeat here in my old days what I began stating some thirty-five years ago: Beware of undefined obligations, so-called moral obligations. Remember what effect they have had upon the British nation herself. There is no book I have read on the war or the policies connected with it which I have found so poignant as the Twenty Years of Lord Grey of Falloden. Here I believe was one of the most honest men that has ever played a prominent part for a long time in public life. Nevertheless, because of the lack of clarity of his mind, the lack of decision in his will, because of that misty atmosphere in which he entered the foreign office and which he kept more misty still, he came to the point of deceiving his colleagues, of deceiving the House of Commons, of deceiving the people of England, and of deceiving alternately the Germans and the French. No man has put it, I think, in clearer form than one of his colleagues, of an absolutely different type of mind, but an equally good servant of the British crown, I refer to Lord Loreburn, who resigned from the English government about a year previous to the war. In his book he analyses the policy of Sir Edward Grey, as he was then, by saying in substance that there were two policies open to the government on the eve of the war. He states that the French and Russians could have been told that England had no commitment to stand by Serbia or Russia as against Austria and the Balkans. That might have stopped them, or at least it would have saved us. On the other hand England could have served a clear notice to the Germans that whatever the cause of the war might be, she would be on the side of Russia and France. That could have been done with the assent of a majority in the house; but unfortunately, for nine years, half the members of the government were ignorant of what the other half knew. If Sir Edward Grey did not think it necessary to inform one half of his colleagues, did he take the trouble to inform us? Of course, he did not. Neither did he inform any other chiefs of tribes. The only thing that was done was to sound the bugle of war, in August, 1914, and issue a declaration which called us to go and kill the Huns, those barbarians who threatened the peace and the liberties of the world.

There was an undefined obligation. Here is another. The house will remember articles 10 and 16 of the covenant of the League of Nations. Explanations had to be given as to why we dissented. It was Sir Robert Borden first, then Mr. Doherty, and then the present leader of the opposition (Mr. Mackenzie King), in the very letter of which I read an extract a moment ago. I think it is better not to sign than to be obliged to erase our signature later on.

Then, I would refer to the imperial conference of 1926 at which our representatives, along with the representatives of the rest of the empire, acknowledged that the question of Egypt was one of imperial concern. Of course it was of imperial concern to England, to Australia and New Zealand, but was it of imperial concern to Canada or South Africa? Mr. Amery, a shrewder politician than Sir Edward Grey ever was, had prepared a series of resolutions. One of these resolutions was very strong in support of the English policy in Egypt, but he had milder resolutions up his sleeve. He kept presenting these until he got adopted the one he wanted adopted. Fortunately, a year later, occasion was granted to our Prime Minister practically to erase that moral engagement. This appears in the correspondence with Lord Salisbury of which

the house was made cognizant during the session of 1928.

Shall I refer to Locarno? I intend to do this for two reasons. First, I should like to know where is the spirit of Locarno, as between France and Germany, or as between England and Italy? I am afraid the only answer that can be given to this question is that it lies in the tombs of those two great men, Aristide Briand and Gustav Stresemann. After years of slaughter and distrust, these men attempted to repair in a few months the evils which had been accumulating for years. They succeeded on paper, but it was not long before they were denounced by the public opinion of their respective countries as traitors. This is what happened because they dared attempt to counteract the spirit of narrow jingoism and nationalism which has been prevailing in Europe ever since the war.

We hear to-day of a Locarno of the east. I have spent forty years in the reading of history and diplomatic documents; and perhaps I may also take advantage of the knowledge I have gained of some of the men who have formed public policies during the last half century, to tell this government or the next government—it does not matter:—Beware of the Locarno of the east. Keep aloof, for heaven's sake and for the sake of Canada. Perhaps it would be out of place to indicate what it would mean although I have a pretty clear idea of what the end will be.

But I should like to show the danger of following blindly any lead which may be given by London in these matters, especially in matters far away from the land of America. I would remind the house that in 1921, when the British government made an agreement with the Soviets, we adhered to it and representatives of the Soviet were accredited to Canada. In 1927 Mr. Joynson-Hicks, more commonly known in London as Jix, in order to please his friend Sir Henry Deterding, found a great conspiracy in the offices of the Arcos. Raids were made, and after this action the government of Canada expelled the representatives of the Soviet from Montreal. This was done in spite of the fact that in the official letter sent by the Canadian government to London it is admitted that we had no reason for doing this. Then we come to September, 1934, when it is learned with the greatest surprise that in Geneva we embraced the murderers of the Czar and voted to get the Soviets into the League of Nations. Again this was done because the British government had changed their policy.

In all fairness I ask the hon. members of this house: Do you think this process of kicking and kissing alternately is doing our country any good? I have nothing but admiration for the manner in which the English government conducts its foreign policy. They have to deal with all the nations on earth, and the problems facing their government have been the most difficult in the history of humanity. The policy must be changed from year to year, they must kick and they must kiss; but they do it at normal level. Must we follow behind like a puppy and bite or kiss the toes of those nations which the British government finds itself big enough to kick or kiss in the face? Such a practice is undignified, it is dangerous, it is full of possible misunderstanding. These misunderstandings may occur, first, between Canada and Great Britain; second between Canada and the United States, and third, between Canada and the rest of the world.

I sum up this whole chapter by saying: In our dealings with the British, let us try to show the same firmness, the same common sense, the same sense of give and take which the British show—and it is the most admirable trait in their policy, both internal and external. But let us at the same time realize that the consequences of an error may be much less dangerous to the British nation than the consequences of the same error might be so far as Canada is concerned. In other words, a nation with the wealth, the power and the prestige of England can run risks in war or in peace, on land or on sea, which we have not the right to make our people incur. Let us be modest and sensible; let us be dignified and respectful, but let us reiterate in perfect truth the old saying, that while a daughter in our mother's house we are mistress in our own, especially since we have proclaimed to the world that we are a nation and that we can frame our own policies, internal or external, just as we wish.

And mind you, that is exactly the attitude which the British appreciate. I was never so struck with the truth of this thought as in my short stay in London in the week which preceded the conference of 1926, when I met one of the leading Tory publicists of Great Britain, one of those who shape public opinion in Great Britain, but especially Tory opinion. He asked me, "What will be Mr. King's attitude at this conference?" I replied, "I have no mandate to speak for Mr. King; but if he rightly interprets the mandate which he has just received from the people of Canada he will tell you—politely enough, because he is a gentleman—Mind your own business and I will mind mine." And this gentleman said to me then, "I hope he will do so; but I am afraid that Amery will circumvent him and make him admit things which he should not.

Between ourselves, we British are rather tired of colonial loyalty. We like to be friends with you, but we do not like flatterers. It is enough to receive the homage of the black and brown tribes of Africa and Asia; but we like men of white skin to stand erect in our presence and talk to us as we talk to them." I thought that was a very good lesson which Canadians should take to heart.

With regard to our cooperation with the United States, I am here perhaps on more delicate ground, but I make this statement at once—that there is no great problem of policy, internal or external, which we can solve in Canada without regard to the policy of the United States. What is the use of being childish and boastful? Can we pretend to rule North America as against the United States? What I think is desirable, and what I think we should always cultivate, is friendly cooperation with the Americans and as much as possible simultaneous cooperation with the United States and Great Britain.

I hope that hon. members of this house have not forgotten the sound advice which was given once by Sir Esme Howard when he was British ambassador in Washington. Without too much flattery—just enough to satisfy Canadian vanity—not too much, just one or two cocktails—he said: "Your part in the policy of Great Britain, especially in America, may be a very useful one; it is to be the interpreters of affairs British to the Americans, and the interpreters of American opinion in England." Between ourselves, I think that the English and the Americans can correspond with each other without having recourse to Canada. Nevertheless there is something in that bit of advice. I suggest that we should make it clear to the Americans that we stand loyally by Great Britain so long as Great Britain stands for peace; and we should intimate to the British government that if England chooses war and the United States decides for peace, then we also shall decide for peace.

But it may be said that I am raising the Monroe doctrine once more—that bogey! After fifty years' reading of history, one of the things that astonish me most is the absolute contrast between the way in which the Monroe doctrine is viewed in England and the way it is viewed in Canada. As our late lamented friend, Mr. John S. Ewart, once wrote picturesquely, "The Canning policy is sometimes called the Monroe doctrine." Anyone who has read the elements of history should know that it was George Canning who prepared the so-called Monroe doctrine. After Spain and Portugal had lost their colonies in America, with a stroke of genius, Canning, to whom I think only one man can be compared among modern Englishmen, and that is Joseph Chamberlain, understood that if the United States could be got to proclaim to the world that no European power should be allowed to make conquests on the free soil of the two Americas, then the United States would become the willing policeman for Great Britain as against the rest of the world; because, of course, it was understood that those possessions of Great Britain which remained under the British crown were excepted, or rather that the Monroe doctrine was against any future acquisition of territory, while it respected actual possession. And as England alone was left with possessions on the American continent, the proclamation by President Monroe of Canning's policy was perhaps the greatest diplomatic victory of the British government in the last century. And it has remained the basic policy of the British government. I remember a statement made by Sir Edward Grey not ten years prior to the war. Speaking at one of the Guildhall banquets, if I remember aright, he said that ever since the time of George Canning down to his own regime, the Monroe doctrine had remained the mainstay of English policy. It is perhaps the only point in English policy that has not changed in a century, and it is more than ever England's policy.

Now why should we choose to be more sensitive of British honour than are the king and the government of England and the British parliament, representing all the people of the British Isles? Of course, I acknowledge a difference. We are a small nation with an immense territory; and it was natural that we should have a certain dread of that fast growing giant occupying the rest of the continent. Then there was also the colonial vanity, a plant hard to destroy; in fact, I think it is indestructible. And then there was blind reliance on the power of England—a dangerous illusion! Never was it brought so clearly to my mind as in one of the most interesting conversations I have had in my life.

In the month of June, 1914, I was passing a forenoon with dear old Lord Fisher, then retired. War was declared before he was called back to the head of the admiralty. He was a very easy talker; he talked quite freely. This was just after the defeat of the naval policies of both parties in Canada; that is, the building of a Canadian navy as proposed by the Laurier government and a contribution to the British navy as proposed by the Borden government. I asked Lord Fisher what he thought of them. "Oh," he said, "they are equally stupid. What need have you of a navy?" "Well," I said, "I always

thought so, but you ought to know; you know something about naval matters." He said: "Any fool knows it is as ridiculous for Canada to have a navy as it would be for Switzerland. Only one country on earth can attack you, and that is the United States. What can you do with a navy against the United States?" "Well," I said, "what about the British navy and Mr. Borden's contribution?" "Well," he said, "that is equally foolish, because put in your mind that whatever number of ships you give us, Great Britain will never fight the United States for Canada or for any other cause. We will not do it, not because we are cowards, but because it would be foolish and criminal. We cannot fight the United States and the United States cannot fight us. Therefore if you want to arrange your own defence, do not come to London; go to Washington." "Oh," I said, "but that would never be accepted by the Canadian people; they would consider it an affront to their dignity." He said: "Are they really as foolish as that in Canada? Do you not realize that interdependency is the basis of policy all the world over? We British people are as proud as any people are, and yet we rely on the strength of the French Army to defend us against Germany, just as many years ago we relied on the Prussians and Austrians to fight against France for us. The Belgians rely on both the British fleet and the French army to defend their country against Germany, just as in the time of Napoleon they relied on us and on the armies of Prussia to resist their conquest by France. Likewise the French nation, which is as proud as any other on earth, expects us to defend her coasts against any other fleet in the world. You should come to your senses; your best arm of defence is to have none." Therefore, when I have on my side the opinion of a man like Lord Fisher and a more recent opinion expressed by General McRae, I say: Let us go straight to the root of the question, and let us proclaim to the world that we are disarming, as the best means of defending Canada.

Some people may say: But that exposes us to absorption by the United States. Yes, but we have no means of preventing the absorption of Canada by the United States, should they want to absorb us. So long as we kept up armaments against the United States, there were always currents of opinion in favour of the annexation of Canada, but ever since we have declared that state of permanent and complete disarmament, where is the current of thought in the United States favouring the annexation of Canada? Business men as well as statesmen in the United States know that they have for many years to come sufficient problems to solve within their own borders; they would not complicate their situation by annexing the rest of the continent, with all our own problems of race, religion, provinces, east and west, and so forth. No; better rely on the common sense of the United States as our best preservation.

I conclude this third chapter by saying: Let us stand without shame by the Monroe doctrine, well defined and enlarged as they understand it in England. In order to accomplish that, why not join the Pan-American union, in which we would be far more at home than we are in the League of Nations? There we would meet the representatives of all those states of South America which, in some respects, are in close understanding with the United States, but in others have the same feelings of diffidence that we have and which are natural in small or weak nations toward a very large one, dominating the continent? We would go there, on the one hand, as friendly to the United States and, on the other, as allied to that galaxy of young and gallant Latin-American nations whose influence we would strengthen and who also would strengthen our hand by exercising their influence in the sense of making peace a reality, at least in America.

We must not forget that we are an American nation. Whatever flag floats on our parliament buildings or on our fortresses, no conquest, no treaty, no acknowledgment of this or the other country, will ever change the fact that it was decided by God at the time of creation that America is America, Europe is Europe, and Canada is a nation in America and not one in Europe or Asia. Let us first base our policy on that permanent fact and then adapt ourselves as much as we can to the passing facts of conquest, domination, alliances and so forth.

Finally, I come to the League of Nations. I must admit, I suppose with the rest of the world and probably with this house, that my confidence in the league is somewhat shaken. Last year, as a conclusion to the speech to which I have alluded, Senator McRae moved that Canada should step out of the league. His motion was defeated. Had it been proposed in this house I suppose I would have applauded the speech with both hands and voted against the motion. I am not quite sure that I would do the same this year; and I presume any responsible man who has followed the trend of affairs in Europe and who is following events as they develop from day to day and from week to week will come

to the conclusion, not that we ought to step out of the league at once, but that we ought to beware of what is going on and will go on there in the next few weeks or in the next few months. Of course the league has been disappointing, perhaps because too much was expected of it. It has suffered from, I was going to say the false prophet spirit of its founder, Mr. Wilson. Everybody knows the famous words of old Clemenceau when he was asked: Why do you not get along? How is it that matters are so slow in regard to the conclusion of peace? "Well," he said, "what can I do when I am sitting between one man who thinks he is Napoleon and another who thinks he is Jesus Christ"?—referring to Lloyd George and to Wilson. If the league had been organized on a more modest basis, if the nations of Europe had been brought together to settle first their own affairs, the immediate result would have been that the United States senate would not have cut Wilson's plan into two from the beginning and shaken its basis; it would not have put us in the awkward position of being the only nation north of the Rio Grande representing America in the league.

Nevertheless, taking the league as it is, or as it was until a few months ago, it has accomplished some good, it has prevented some evils; it has given time for discussion and for tempers to cool. That avoids quarrels; it may have avoided some wars. For us it has been a good training school. It has brought some twenty or twenty-five Canadians in contact with the representatives of various nations. They went to Geneva and came back with a strange notion that there was someone in the world outside of the British empire, the United States and France, that there were some nations on earth that counted for something apart from the English and French nations. Therefore, there was something learned by that contact with different nations, different races, different civilizations and different types of government.

But so long as we remain in the league—and I am not prepared to say that we should remain very long; the near future should tell us—I venture to state that we must support there all sincere, effective measures for peace, from whatever quarter they come. We must stand for the revision of those nonsensical and iniquitous treaties to which we affixed our signature in 1919, and which are the root cause of the present threat of war. We must combat all intrigues and secret alliances; and above all, we must on every occasion repeat what was said by the Minister of Railways in 1933 and in the Senate last year by General McRae, that we are for peace, that we have signed the renunciation of war in good faith and that we mean it. That we should do irrespective of the attitude taken by the representatives of Great Britain. If they stand for peace so much the better; let us support them and echo their words. If they stand for war or if they stand for that vacillating policy which was followed by the British government previous to 1914, then let us keep our skirts clear, at the risk of being lectured by the new friends of the British government, Messrs. Stalin and Litvinoff; and this brings me to the last part of my remarks. I hope they will not be taken in bad part.

It would be more diplomatic if I did not make this reference but I should be untrue to my deepest convictions; I should be untrue to my conscience and my responsibility if I were not to say now that I deply regret that Canada voted for the admission of Russia into the League of Nations. I hope I will be forgiven by the house if I read a few extracts from the speeches and declarations made at Geneva on the 17th and 18th September last. First, I should like to refer to the meeting on September 17th of the sixth committee, where the whole question was discussed. Here is the declaration of the representative of Portugal, one of the three countries which voted against the admission of Russia, Mr. Caeiro da Mata. I commmend this to the attention of the house, especially of those who four years ago considered that the religion and morals of Canada were in danger if Russian coal entered Canada in competition with Senator Webster's monopoly:

> There is manifest opposition—I may even say incompatibility—between the principles advocated by Soviet Russia in the economic, juridical, political and moral spheres and the conceptions which form the basis of our ancient civilization and constitute the very essence of our culture and ethics.... I do not hesitate to say that the admission of the Soviets will be in contradiction to the ideas which have guided the most highly civilized nations during the last few centuries, and on which they have built up their honour and glory....
>
> I must confess in all sincerity that I do not see how the admission of the Soviets can create favourable prospects for the work of peace and world security invoked in the preamble of the covenant of the League of Nations, which ought to constitute the magna charta of all modern states.

If I had time I would read to the house the whole speech delivered by the president of the Swiss republic, Mr. Motta, one of the highest minded men in Europe to-day, and one of the safest. He represents a small country, but he is a big man. Mr. Motta delivered a speech against the admission of

Russia from which I would like to quote a few sentences:

In every sphere—religious, moral, social, political, economic—this form of communism—

The Russian form.

—is the most radical negation of the ideas by which we breathe and have our being....

Communism dissolves the family—it abolishes private property; it organizes labour in forms which it is difficult to distinguish from forced labour.

Were not those words used in the order in council which prohibited the entrance of furs and coal from Russia into Canada? Then Mr. Motta proceeds to express the opinion of those who were favourable to the admission of Russia:

May we not hope that continuous cooperation with other states within the league will promote an evolution beneficial for all and for Russia itself in the first instance?

And he goes on to give the answer:

No, we cannot believe in this evolution of the bolshevist regime, for which we hope no less than you. We cannot sacrifice to the principle of universality the idea of a necessary minimum of moral and political conformity between states....

To-day the common feeling of all patriotically and nationally minded Swiss is that the league is embarking on a hazardous undertaking. As we see it, it is venturing to wed water and fire. If Soviet Russia all of a sudden ceases to insult the league, which Lenin defined as an institute of brigands, we read the explanation of this novel attitude in the fiery letters of the far eastern sky.

Read the dispatches of to-day in regard to the Russian policy, and you will understand those words pronounced six months ago by a man who knew in advance, and who had a clear sight.

We have no confidence. We do not feel able to cooperate in an act which will confer upon Soviet Russia a prestige which it has not heretofore enjoyed.

That was at the meeting of the sixth committee. The admission of Russia was voted by thirty-eight nations; there were seven abstentions and three negative votes, the Netherlands, Switzerland and Portugal. At the plenary session, the following day, Mr. de Valera, representing the Irish Free State, delivered an address. May I say that Mr. de Valera is a gentleman for whom I have the highest consideration, whom I knew in his days of poverty and struggle against tremendous odds, and who in the last few years has accomplished much to prove that he has the fibre of a great statesman. Speaking at the plenary meeting, on the following day, Mr. de Valera echoed admirably the words of Mr. Motta. He said:

In speaking as he did, Mr. Motta voiced the concern, not of the people of Switzerland alone, not merely of the 300,000,000 who belong to the Catholic church, but of those many millions more—in all, more than one-third of the inhabitants of the globe—who proclaim themselves followers of Christ and place all their hopes here and hereafter in the truth of His teaching.

And again:

Christians believe that the one hope of securing peace among men is to be found in obedience to the primary Christian commandment that men should love one another for God's sake, and if Christians lose confidence in the League of Nations—there are 600,000,000 of them, remember; more than one-third of the population of the globe, as I have said—if they lose confidence in the League of Nations as a means of promoting peace in this way, then the League of Nations cannot possibly succeed.

And in—how shall I say it?—a state of semi-dramatic inconsistency he announced he would vote for the admission of Russia to the league, but requested that country to make a declaration similar to the engagements they have taken in Washington and the engagements they took with our government, before the Liberal administration broke relations with them—in other words, that they would carry on no propaganda, and also that freedom of worship and conscience would be established in Russia.

Then came the turn of Canada. In this connection I am somewhat embarrassed, because the Prime Minister was absent. May I say that Canada was represented by a gentleman who has no seat in this chamber but whom I consider one of the straightest, cleverest men we have had in the service of Canada for many years. I refer to Doctor O. D. Skelton, Under Secretary of State for External Affairs. Of course his attitude was dictated by the government. I think on the whole his attitude was more logical than that of Mr. de Valera—having to vote for the admission he could with difficulty denounce Russia as the most abominable nation on earth. He stated in a simple and dignified way the principles of government prevailing in Canada, and added:

While believing firmly that, in the long run, the league can succeed only by the application in the international sphere of these ideals of liberty and democracy, we recognize that, for the present, we must agree to differ and that we cannot require other states to conform to such principles, or reject their collaboration in the league as long as they share in the one indispensible condition of readiness to work together for the peace of the world.

And so on. He ended by stating he would vote for the entrance of Russia into the league, and expressed the hope that Russia would not carry on propaganda in Canada

What was the answer? Russia entered supported by thirty-nine votes, mostly of so-called Christian nations, and opposed by only three votes of small nations. What was the answer? What was the answer of Mr. Litvinoff to the invitation of Canada, Portugal, Switzerland and even of France to respect conditions of other countries and to come nearer the articles of Geneva? Here is the answer:

To-day—

And he was referring to past enemies of the Soviet, as well as to present opponents—

To-day we are happy to be able to state that the exponents of those utopias—

Utopias! your principles and mine—

—and the advocates of the policy of ignoring and isolating the Soviet union are no longer to be met among broad-minded statesmen, among the representatives of the more important states moulding international life who think on realistic lines and understand the needs of the present day, but must be searched for among narrow-minded politicians—

That was thrown in the face of Mr. Motta, Mr. De Valera, and even in our own face.

—unable to rise above their petty political passions and strong prejudices and deriving their knowledge of countries and peoples from muddied sources.

Note the expression, "muddied sources."

It remains only to pity such people and to wish them a speedy enlightenment and a return to more reliable sources of information.

That was the language of contempt. Note now the triumphant rebuke. Did he agree to establish in Russia liberty of conscience as it exists in England and in the United States? Did he promise to stop propaganda? No. Here is what he said:

The Soviet union is entering into the league to-day as representative of a new social-economic system, not renunciating any of its special features, and—like the other states here represented—preserving intact its personality.

That is the nation we have kissed on both cheeks, we, a Christian nation, we a nation whose government and policy repose on old traditions, on the liberty of conscience, on respect for the dignity of man and the divinity of God. That humble attitude, that crouching attitude of 38 so-called Christian nations before the outstanding apostles of atheism, will it make for peace? Read the papers from day to day. The answer has been given in a brutal form, but better have it that way than to go on with the hyprocrisy which has prevailed for years. The answer has been given by Adolf Hitler. True, Hitlerism is to-day perhaps the most outstanding menace to peace. Why? First, because of the iniquities of the treaty of Versailles, to which we have affixed our signatures and crucified the honour of Canada. Secondly, because we dared not protest against the obstinacy with which the French government, more or less supported by the British government, refused to correct those inequalities. I was forgetting about the one British representative who protested, namely General Smuts, who in the glass gallery at Versailles, before affixing his signature to the historic document, had the courage to stand up and say, "I sign, but peace will not come out of these treaties." He was the only one who dared open his mouth. Surely if the Prime Minister of South Africa could speak out, had not the Prime Minister of Canada, to whichever party he might belong, the same liberty to speak frankly and openly? The attitude of the allied countries made Hitlerism, because that attitude played into the hands of those young men in Germany who for years had been looking for an understanding or possible agreement with France, England and Italy. Seeing that their efforts were in vain, and that from day to day the Locarno treaty was becoming dilapidated, in despair they finally threw themselves into the hands of Hitler. That made the success of Hitlerism. But what has confirmed it and strengthened it in the last six months more than anything else is the admission of Russia into the League of Nations. It is that coquetting attitude of France, Great Britain and Italy towards the Soviets. I am surprised that Britain especially should have forgotten the sound advice of a man whose policy I have opposed very frequently in my public life but who was at times truly a man of long vision. I refer to Joe Chamberlain, who said once, speaking of Anglo-Russian relations, "When you sup with the devil take a long spoon." Now not only are they supping together, they are even drinking out of the same glass. For my part I am not prepared to put my lips on those soiled cups, nor do I believe that the vast majority of Canadians, to whatever creed or race or party they belong, are prepared to follow suit because, at the present time and for this year, it suits the British government and the French and the Italians to try once more to encircle Germany. And for what purpose? To enhance civilization? To preserve liberty? To save small nationalities? No. But to make Soviet Russia the arbiter of the whole world, to strengthen the hand of the Soviets in such a manner that Russia will be the dominating power of the east of Europe and of the west of Asia. I remind you of those somewhat obscure words of Mr.

Motta: Think of the far east. Read the despatches of to-day, and see what game is going on now between London and Moscow, Warsaw, Paris and Rome. Poor Poland is once more being dragged from right to left, from north to south, by the Teuton, by the Slav, by the Italian and by the French, with the English putting up a protecting hand, yes, a protecting hand for English interests. I do not blame them, but I pity the poor nations of Europe who are kept in that state of chronic fever; and for heaven's sake, I say, let us preserve our people, let us preserve our youth, let us preserve our nation from the consequences of such intrigues, such changes in policy and such threats of war!

But worst of all is what I call the apostacy of so-called Christendom. I deprecate the introduction of religion into the discussion of public affairs; but after all one should not hesitate at appealing to what is best in men's souls and hearts. You cannot rule the world, you cannot rule a country, any more than you can rule an individual, without appealing to religion, without appealing to faith. Last year I ventured to predict that we could never succeed in solving our social and economic problems until we had restored in our community and in the soul of each of us, in each family and in each class of people, respect for God and for God's laws. Likewise you cannot restore the law of nations; you cannot by law and by treaties, by force of arms on land, on sea, in the air or under the sea, you cannot by brute force or by deceitful diplomacy bring order and peace into the world. Here again I quote an authority who did not belong to my church or my creed. I have always been struck with these lines, ever since I read them for the first time in Morley's Life of Gladstone. Gladstone was a devout son of the Church of England, and his life was written by a nonconformist who had become an avowed rationalist. Referring to one of the first incidents in foreign affairs in which Gladstone was called upon to play a part, Morley says of him:

> Mr. Gladstone had not read history for nothing. He knew the evils that followed in Europe the breakdown of the great spiritual power—once, though with so many defects, a controlling force over violence, anarchy and brute wrong. He knew the necessity for some substitute, even a substitute so imperfect as the law of nations.

Eighty years ago Gladstone realized the necessity for a law of nations even though it was imperfect compared with the unity of christendom as it existed in the middle ages. He realized, although he did not say so expressly, that in spite of religious schisms, Christianity remained the one great basis of social order; and as another great Protestant statesman, Burke, had said a half a century previous: Whatever may be our creed and sectarian views we must acknowledge that the Pope remains the head of Christianity.—Now if that was the opinion of "a great Christian statesman," as Gladstone was described by Lord Salisbury after his death, can we not take cognizance of it and act somewhat accordingly? But what did we do? We tacitly acquiesced in the secret treaty concluded in London in April, 1915, by which England, France and Russia decided to exclude the Pope from all their deliberations on the affairs of this world. Why? Because in those days the Italian government was afraid that the Pope might raise the question of temporal power. Now that difficulty has disappeared, because the Holy See has made peace with the Italian government. Is there any reason which remains for the temporal rulers of the so-called Christian nations to go on excluding the Pope from their counsels? I do not say from their government, I do not say from their policies, because no sane Catholic to-day and no Pope would claim any such power similar to that which the papacy exercised in the middle ages; the situation, religious, political and social is entirely different. But surely there is no man, however sincere a Protestant he may be, no matter how much of an enemy he may be to what was the rule of the papacy five hundred years ago, or even what it was sixty-five years ago, when Gladstone denounced the Vatican and Vaticanism, who will not admit, if he has a mind big enough to overcome his prejudices, that the papacy and the Holy See remain the greatest moral force there is in the world to-day. The British government, in spite of all opposition, have reestablished relations with the Holy See. More governments have established relations with the Holy See since the war than for a century previous. Are we going to sit aloof? Are we going to refuse to learn anything from that great seat of learning?

Last year, referring to social and economic conditions, I pointed to these men in this corner of the house who are neither Catholics nor, some of them, very ardent Christians, I believe; nevertheless they were the only members I heard quoting the Pope's encyclicals and making use of them to foster what they considered to be social reforms. A moment ago I said that we cannot solve any problem in America without the cooperation of the government of the United States. Likewise do I assert that the world cannot solve its problems without the cooperation of the greatest and most permanent spiritual power which exists. I am an old man

as compared with the newer generation. Why is the world in its present condition? It is because everyone has been looking to wealth, to industry, to trade, to power, to diplomacy, to brutal arms to solve their problems. It is because each nation has cultivated within itself self-admiration and self-pride; it is because these things have been set up as idols. The main occupation of the world prior to the war, during the war and since the war has been to paganize its morals, its habits and its standards; and we are to-day reaping the result. The more we worship at the altar of the golden calf, the more lack of respect we show for everything spiritual, the harder will be the solution of our problems. I sum up these rambling remarks by making the same appeal I made last year: If you want to reestablish the brotherhood of man, begin by proclaiming the fatherhood of God.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, while I cannot agree with all the statements made by the hon. member for Labelle (Mr. Bourassa), it seems to me that the house owes him a debt of gratitude for having presented so ably this very important question. In matters of peace and war I must confess that I find myself torn by various conflicting convictions and considerations. When I was attempting to prepare some notes on this matter on Saturday I set down some of the things which seemed to me to enter into my own point of view.

First, I believe that military force is stupid; that it settles nothing and that it creates serious trouble. This conviction may be the result of Christian idealism but it is confirmed by a study of psychology and a reading of history.

Second, I believe that among the many causes of war the economic are the most fundamental, especially in modern times. Capitalism, social injustice, imperialistic expansion and war are inseparable. In my judgment war will not end until we destroy capitalism, with its social injustice, and imperialism.

Third, as a born individualist and an inheritor of pioneer traditions I have an instinctive desire to keep myself and my country out of the troubles of other people. In this I think I am fairly typical Canadian.

Fourth, as a student of our complex industrial and social structure I realize that no individual can live to himself, or that no nation can live to itself. Self-sufficiency, independence, sovereignty and isolationism belong to the past. It is perhaps here that I begin to differ with the hon. member for Labelle. I would emphasize that the mere declaration of neutrality is not sufficient. As I tried to point out the other evening, military defence does not seem to me to be an adequate defence. However, I do not think that mere disarmament will settle our problems.

Fifth, in practice political power with its military force is still largely in the hands of the predatory classes, hence national and international policies are dominated by anything but idealistic motives.

Sixth, as an individual I refuse to participate or to assist in war, yet I am a citizen of a country which still relies upon force and as a public representative I must vote on alternative military policies.

Under these conditions, in the actual world of affairs, one must try to hold to his own convictions and keep the ultimate objectives in view, yet advocate measures which are recognized as merely ameliorative. One must accept the half loaf and even support procedures which though repugnant to his principles, represent a real advance in public welfare and public morality. For example, I am opposed to capital punishment, but rather than have a woman's head torn from her shoulders, as was done a few days ago at a hanging in Montreal, I would vote for the electric chair, the lethal chamber, or perhaps even the axe. In a decently organized society we would not need a police force, but in our present semi-barbarous civilization I prefer a police force to bandits and vigilantes. So in international relations, until war is actually and wholeheartedly repudiated as an instrument of national policy, an international police force under proper control, if that is possible, might be preferable to world anarchy. This statement more or less outlines the background from which I view the external policies of Canada.

It is a curious thing that we in Canada have been so indifferent to our external policies. Perhaps this is due to a number of causes. For years we have been practically isolated from the main current of world events. We have had friendly neighbours to our south. We have inherited from colonial days a sort of inferiority complex that leaves matters of high policy to the United Kingdom. However notwithstanding this as was pointed out by the hon. member for Labelle, we were drawn into the great war and sacrificed nearly 60,000 of our boys and piled up an unbearable burden of debt.

Before discussing any of the more general policies, I should like to offer a few practical suggestions. It would seem to me that we might create a separate ministry of external

affairs, to be headed by a specialist in league affairs. Second, the committee on international industrial relations, or a new committee to be set up, could give its entire time to considering reports from embassies and legations, from the League of Nations and from imperial conferences, and then advise the house as to the most effective measures of promoting peace. Again, it seems to me that we should offer to cooperate with the League of Nations in controlling the export of war materials. This is in line with the motion I introduced last year with regard to nickel. Further, we should give increased support to the League of Nations Society. This was a suggestion I offered the other evening when we were discussing our national defence estimates. Still further, I think that we might very well reconsider the proposal made by my hon. friend from Southeast Grey (Miss Macphail), namely, the establishment of international scholarships. In this way we might do a very great deal to promote international friendship and understanding. And then again, I fancy that we shall not be blameless of causing international friction unless we insist on maintaining the minority rights of the racial and religious groups resident in Canada. That too I have advocated more than once in this house.

Now let us come to the factors that must be considered in determining a foreign policy for Canada. First of all, there is our relationship to the United States. I think that the hon. member for Labelle is correct when he emphasizes the fact that Canada exists on the North American continent; that must be a determining factor in our foreign policy. War with the United States is for most of us unthinkable. A year or two ago at a public dinner I was talking to my next door neighbour, a prominent Conservative and an imperialist of the old school, a man however who did not swallow slogans but had given a good deal of thought to public affairs. Someone asked what Canada would do if by any stretch of the imagination Great Britain and the United States became involved in war, and this Conservative and imperialist of the old school came back immediately with the reply that Canada must at once declare her independence. Well, if that reply is correct, it seems to me that the least we can do is now, during a time of peace, to serve notice to that effect upon Great Britain. It is not fair play to go on pretending that in all circumstances we will follow the lead of Great Britain. I would suggest that the work of the international joint commission might very well be extended to include the administration of an "all-in" arbitration treaty between Canada and the United States.

I think it was in my speech on the address that I called attention to the I'm Alone case as a most striking example of the way in which international friction may be avoided. A few years ago that incident might easily have become a casus belli. As it was, when the decision was finally given by the board of arbitration no one paid much attention to it—as I say, a splendid example of how we may avoid those frictions which in former years very readily led to war.

Now we come to our relationship with the United Kingdom and the other self-governing nations now forming the British commonwealth of nations. I would point out that Great Britain still rules a vast empire in which the greater proportion of the people do not enjoy self-government. That is an important fact and one that perhaps we do not sufficiently emphasize. As the hon. member for Labelle pointed out, under the treaty the United Kingdom made very important reservations. There were certain areas of the world over which Great Britain claimed special control, or where she felt she had special interests, and she was not willing that there should be any interference or any resort to arbitration with regard to those particular areas. Great Britain has interests in India, in Africa and in the far east, and it is very easy for certain British policies to cause difficulties and troubles that might easily drag Great Britain once again into war. We in Canada have no voice in these policies. It does seem to me—and I would call the attention of the official leader of the opposition to this point—that even now, before the Prime Minister of this country goes to the next empire conference, we should have from him some fairly clear statement as to his position with regard to the great problems which may face the empire within the next few years. Canada ought not a few years hence to be faced with a fait accompli and be expected to rush to the help of the motherland.

Mr. MACKENZIE KING: My understanding is that there is to be no conference at which any representative of any government is to speak with authority in reference to questions that will govern the future.

Mr. WOODSWORTH: I should be very glad if the statement of the leader of the opposition is correct. I had rather the impression that at some of these conferences whether there are formal negotiations or not, understandings are arrived at which are

considered more or less binding. I hope that is not true.

Mr. MACKENZIE KING: I am of my hon. friend's point of view in the matter.

Mr. WOODSWORTH: From my standpoint the relationship of the autonomous nations to the empire is by no means clear; and the mere fact that we belong to this commonwealth of self-governing nations should not lead us to assume obligations with regard to the policies of the empire. I suppose that technically if Great Britain is at war Canada is at war, at least unless there is some further declaration than we have yet had. I wish we could have such a declaration. Canada cannot consent to come to the assistance of the empire in some war brought about by policies in which she has no voice; and on the other hand, as we develop our independent policies, we cannot expect support from Great Britain—we must expect to be on our own. Actually we took pretty much this position in our signing independently the Versailles treaty. Although all the implications of that position have not been manifest, I think they are implicit in our signing of the treaty.

Then we come to Canada's relationship to the League of Nations. I confess that for a number of years I took very little interest in the work of the League of Nations. The League of Nations was essentially a league of victors.

An hon. MEMBER: And still is.

Mr. WOODSWORTH: Somebody says it still is. It is not altogether, though it has taken one or two steps backward through the withdrawal of some of the nations. Further, it has been essentially a league of capitalist nations; and as one who believes that capitalism must be done away with, I cannot be expected to take a very lively interest in policies that are essentially founded on capitalism. Again, the United States is still out. As long as that nation with which we are most nearly connected, is not a member of the league, it seems to me that we are placed in a rather peculiar position in being the only country in North America that has a place in the league. In fact, when several years ago I had an opportunity of being in Geneva during a session of the assembly, I could not get away from the impression that to a very considerable extent the league is still a European institution. I wish that were not so. It is not so in ideal, but in practice one felt it was largely dominated by European powers and was concerned mainly with European policies. I do not know that as a member of the league we have taken our obligations very seriously. We have sent as our representative to Geneva not always, I think it must be conceded, men who have been specially trained in foreign affairs; we have paid our dues to the league, and that is almost as far as we have gone.

Now we in Canada as every other nation must face one of three alternatives: first, attempted isolation; second, the discredited policy of military alliances, and, third, a collective security through a reformed and vitalized league. As to a policy of isolation, it is attractive on the face of it, and I must say that as long as the league is constituted as it is at present and as impotent as it has been in the past, possibly that is the only immediate practical policy for Canada. So I find myself in considerable sympathy with the hon. member for Labelle. We have to keep out of the affairs of Europe; we have to see to it that Canadian boys are not sacrificed on the battlefields of Europe or, I may add, of Asia. Yet I do not think a policy of isolation of that kind will keep us out of war.

I spoke a few moments ago of another alternative, that of military alliances. About the only alliances we have at present are those with the United States and the United Kingdom. Those are not military; they are very largely sentimental, but I suggest that they are of inestimable value and in my judgment are a great deal more effective in the maintenance of peace than military alliances.

I come then to the third alternative, and I can see no other—that of collective security. It would seem to be the world's only hope. Canada, as I said a few moments ago, is already a member of the league even though we have not taken our obligations very seriously; but if we are to have peace we must be prepared to pay the price and that may be a great deal higher than some of us have yet imagined. It may involve economic sanctions that will mean a very decided sacrifice to us in Canada, but when we consider the sacrifices involved in war, we ought not to hesitate to make great sacrifices in attempting to secure peace.

Now there are two immediate danger spots in the world to-day: Germany and Japan.

Mr. BROWN: Could the hon. member elaborate his idea about economic sacrifices?

Mr. WOODSWORTH: The hon. member for Lisgar suggests that I elaborate the idea of economic sacrifices. For example, if it is held desirable by the League of Nations that we should not export the materials essential

to the making of munitions, I think we ought to be prepared to sacrifice the profits that we are making through the sale of nickel and other similar materials. That is one illustration. Further, if several years ago Canada had decided to make an effective protest against Japan's policy in Manchuria, we might very well have imposed an embargo on Japanese goods. That might have involved considerable sacrifice on our part, but I think we ought not to have hesitated to make a sacrifice of that kind if thereby we could throw our weight against what seemed to be a perfectly indefensible act on the part of Japan.

I was about to proceed to speak for a few minutes of those two danger spots, Germany and Japan. I wonder if we might call it six o'clock.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. WOODSWORTH: Mr. Speaker, may I say just a few words with regard to Russia's entry into the league. When the ban was placed upon Russian imports one recalls the statement that accompanied the order in council:

> The government is convinced that there is forced labour in the cutting and transport of timber, and the mining of coal, that political prisoners are exploited, that the standard of living is below any level conceived of in Canada, and that, broadly speaking, all employment is in control of the communist government which regulates all conditions of work and seeks to impose its will upon the whole world. This is communism, its creed and its fruits, which we as a country oppose and must refuse to support by interchange of trade.

I am glad that notwithstanding that declaration on the part of the Minister of National Revenue the government of Canada saw fit to sign the invitation to Russia to enter the league. It seems to me that the hon. member for Labelle, in trying to stress one particular point, took an altogether exaggerated position. I wonder if he would say that Europe was Christian in the fractricidal war of 1914 to 1918. I wonder if he would affirm that Hitler's Germany is Christian today. I wonder if he would venture to say that Japan is Christian. During the recent visit I paid to that country I remember seeing the tablets that commemorate the extirpation of Christianity in that country. It is true that after Commodore Perry bombarded Japan the missionaries were allowed to return, but still only a very small percentage of the people of Japan are Christian and I do not know that anyone can say that that empire is proceeding along Christian lines. I think the hon. member for Labelle was much nearer the mark when he made this statement on May 27, 1931:

> But, Mr. Speaker, I would not be a Christian, I would not be a British subject, and I would not be imbued with the principles of social liberty, if I would not assert at the same time that the economic system under which the United States and Canada have grown, progressed or retrograded, for the last twenty-five years, the capitalistic system upon which rests the whole policy of North America, is just as antagonistic to the principles of Christianity, of social justice and of British tradition as is the communistic and atheistic system which now prevails in Russia. And for my part I repeat, as a Christian and as a Canadian, I do not consider that we have received either from providence or from the conscience of the Canadian nation any mandate to teach lessons to other nations.

And again, in referring to the atheism which prevailed in France about forty or fifty years ago, the hon. member said:

> Did the Conservatives or Liberals of that day, in Canada, suggest that we should break off relations with France and stop trading with that country because that government was carrying on propaganda against creeds and against religion much more effectively than that carried on during the days of the French revolution, and more effective than that now being carried on by Russia?

And again:

> When the delegates from the nations arrived at Genoa, including Mr. Chicherin, one of the primary leaders of the bolshevik government, the venerable Cardinal Archbishop of Genoa received the delegates, including the representative of the government of Russia. The Archbishop shook hands with the delegates and appealed for the blessing of God on their deliberations for peace.

I think the government were wrong four years ago and are right to-day; I think the hon. member for Labelle was right four years ago and wrong this afternoon. I think perhaps the hon. member for Labelle ought to have a greater sense of proportion, perhaps a greater sense of humour. If he would seriously ask a nation that consists in part of Orangemen to drink a loving cup with the Pope perhaps he may permit Mr. Litvinoff to sit in council at a peace table. What did Mr. Litvinoff say on entering the League of Nations? I think possibly his spirit was all that we could very well desire. I should like to read a sentence in which he indicates that apparently he has given up the idea of world revolution and is willing to have Russia go her own way and the other nations their own ways. He said:

> The Soviet state has, however, never excluded the possibility of some form or other of association with states having a different political

and social system, so long as there is no mutual hostility and if it is for the attainment of common aims. For such an association it considers that the essential conditions would be, firstly, the extension to every state belonging to such an association of the liberty to preserve what I might call its state personality and the social-economic system chosen by it—in other words, reciprocal non-interference in the domestic affairs of the states therein associated; and, secondly, the existence of common aims.

Then follows the passage which was quoted by the hon. member for Labelle:

The Soviet union is entering into the league to-day as representative of a new social-economic system, not renouncing any of its special features, and—like the other states here represented—preserving intact its personality.

And again:

Finally, we must realize once and for all that no war with political or economic aims is capable of restoring so-called historical justice, and that all it could do would be to substitute new and perhaps still more glaring injustices for old ones, and that every new peace treaty bears within it the seeds of fresh warfare.

And again:

I am convinced that in this, our common work, from now on the will to peace of the Soviet union with its 170 million inhabitants —peace for itself and for other states—will make itself felt as a powerful factor.

Now, Mr. Speaker, I should like to pass on for a few moments to what I have already called the danger spots of Germany and Japan. With regard to Germany, I detest Hitlerism and Fascism I think as much as anyone, but I do submit that we, that is the allies, to a very large extent have been responsible for the development of that form of government and that policy in Germany. A few days ago I quoted a paragraph from Mr. Lloyd George, as written September 19, 1932. This so well summarized the position that I venture to give it again:

When the German delegates displayed natural hesitation about accepting these conditions, which reduced their fatherland to impotence in an armed world, Clemenceau wrote them a letter, on behalf and at the request of his colleagues, assuring the Germans that their disarmament would be treated as a prelude to steps for general reduction of armaments by the other nations.

This pledge is also expressed in the covenant of the League of Nations. It was accepted by all the signatories of the treaty and ratified by their senates.

Two of the four who drafted that solemn undertaking have passed away, Clemenceau and Wilson. Signor and I remain. As one of the two survivors, I have no hesitation in accepting the German view that the victorious nations have shamelessly broken faith on the question of armaments. I should be surprised to hear that my co-survivor, Orlando took a different view of the turpitude of the victors in this respect.

[Mr. Woodsworth.]

The Germans revolt against unscrupulous agitators and designing militarists. Statesmen of the Fatherland have for thirteen years shown a degree of patience, forbearance and restraint which is worthy of the great people they represented. Throughout this period, the bond they entered into in an hour of crushing defeat was being enforced relentlessly against Germany and her allies, whilst other parties to the contract insolently refused even to discuss performances of their part of the agreement.

I am glad that we may look forward once more to Germany being regarded as a nation on an equality with other nations. I could have hoped that this might have been accomplished by the reduction of our armaments to the level allowed to Germany. However since Germany has taken strong action and decided she will rearm, I hope it will not be very long before other nations will urge Germany to reenter the League of Nations and that this may be in fact, as some British observers think, the preliminary step to a general disarmament.

May I now say a few words regarding Japan. Last year, on February 12, I outlined briefly the unsatisfactory action taken by Canada in connection with the Manchurian incident. While I have a very high personal regard for the Secretary of State (Mr. Cahan) I think he made a serious mistake in following as apparently he did, the lead of Sir John Simon. I recall asking a question of the government concerning this matter and being told by the Prime Minister that as the matter was sub judice it could not be discussed. In my opinion that was an absolutely absurd position for any government to take. At that time we had an opportunity to take a position that might have had far reaching and worth while results. With regard to Mr. Cahan's speech, the correspondent of Headway, the journal of the British League of Nations Union, wrote:

Twenty-three supported the thesis of the Lytton report, including France and Italy ... three, Japan, Britain and Canada, sympathized with Japan. Canada in a curious oration spoke strongly on both sides.

Professor Soward, writing in Interdependence—the journal of the League of Nations Society in Canada—for March, 1933, made this devastating criticism:

A speech which never once endorsed directly league principles, which departed from our position of last March, which singled out the injured party for most of the recrimination.... Mr. Cahan's attitude is not the sort which Mr. Meighen assumed at the imperial conference of 1921 when the renewal of the Anglo-Japanese alliance came before the conference.

At that time hon. members will recall it was the stand taken by Canada which to a considerable extent was responsible for the

refusal of Great Britain to renew the alliance. Professor Soward continues:

When soft words were spoken in Geneva in December the only effect produced was the advance of Japanese troops into Jehol in January. Let our delegate make it clear that we stand for the sanctity of treaties, the maintenance of the collective system and the principles of redress proposed in the Lytton report. As Lord Lytton has well said the league of nations is the life-line of western civilization. Let it not be said that Canada helped to fray its strands. Our government must declare where we stand.

The consequence of Great Britain's lack of resolute action has since been manifest in Japan's aggressive policy. It seems to me that before the close of this debate the government should give some report concerning the work of the advisory committee instructed to follow the developments of the Sino-Japanese situation. Canada is a member of that advisory committee. With regard to the present situation in the east may I quote a paragraph from the observations of the Most Hon. the Marquess of Lothian appearing in an article in International Affairs of March-April, 1935:

Let me now turn to the difficulties of the British position. I do not want to discuss the Manchukuo incident, but Great Britain was certainly not in the front rank in maintaining the collective system in the Pacific at that time. Mr. Stimson was much more forward in the matter than we were. I have always thought that the mistake of British policy at that time was not the view which it took of Japan's intentions in Manchuria—I think its diagnosis was closer to the realities than that of the United States—but in its rejection of Mr. Stimson's offer to reverse the isolationist decision of 1920 and act with us in support of the collective system in the Pacific.

There is no doubt at all that the entrance of Russia into the League of Nations has tremendously complicated the entire situation and opened vistas of trouble which Great Britain may confront and which we, as a member of the league, may not altogether avoid.

I should like to quote a paragraph or two from a summary of the situation as contained in a pamphlet Why the U.S.S.R. Joined the League, issued by the New Fabian Research Bureau, with an introduction by Hugh Dalton. The extract follows:

The report of the league assembly, by which Great Britain is bound, declares that (a) Manchuria is an integral part of China, under Chinese sovereignty, and that the nine-power treaty applies to Manchuria as to every other part of China; (b) "Manchukuo" is a creation of the Japanese army of occupation which is contrary to the wishes of the inhabitants, and to the interests of China, constitutes a violation of the covenant, nine-power treaty, and the Briand-Kellogg pact, and is incompatible with the maintenance of peace in the far east; (c) the Japanese military occupation is a result of external aggression for which China bears no responsibility, and is a standing violation of China's territorial integrity and political independence.

What obligations are thereby imposed under the covenant upon any state bound by the assembly report of February 24, 1933, becomes a question of very great importance. It is clear that such a state cannot regard Japan as acting defensively in any war in which she fights with China (or with states acting on behalf of the league) to maintain her occupation of China's four northeastern provinces, since that occupation was in breach of the covenant. Owing to the failure of the great powers to defend China, and the covenant, against Japanese aggression an extremely obscure and dangerous situation has been created. It is conceivable that China, and with China some other member of the league acting in the fulfilment of their duties under Articles 10 and 16, may become involved in war with Japan over her occupation of Manchuria.

May I point out that although Canada's obligations under articles 10 and 16 may not be as great as those of Great Britain, they cannot be disregarded.

In that case it would be the duty of the other member states to treat Japan as the aggresor and the council would have to act immediately under Articles 10 and 16 and advise upon the means by which the obligations of the articles should be fulfilled. It is improbable that the U.S.S.R. or any other state will attempt by independent action to terminate Japan's military occupation. What is more probable is that Japan, as the next step in her present policy, will use Manchuria as a base for invading eastern Siberia. In that case the U.S.S.R. will invoke Article 16. China will become involved on her side, and the other members of the league will be bound by the interpretation given to the covenant and nine-power treaty in the assembly report of February 24, 1933, to treat Japan as the aggressor. For that report has made of Japan in Manchuria an outlaw on Chinese territory, and if peace is restored again the league cannot a second time evade its duty of restoring a situation compatible with the covenant.

Mr. SPEAKER: The hon. member has spoken forty minutes.

Mr. WOODSWORTH: I suggest this very brief outline of outstanding world problems is sufficient to force upon us the seriousness of the situation confronting the world and the necessity of Canada having some very definite and clear-cut policy.

Hon. HUGH GUTHRIE (Minister of Justice): Mr. Speaker, in rising to offer a few observations on the motion before the house may I at the outset compliment the hon. member for Labelle (Mr. Bourassa) upon the lucid, forcible and comprehensive manner in which he discussed the motion now before the house. While I am in accord with the

principle of the motion I must express entire dissent from many of the views and opinions expressed by the hon. member this afternoon during the course of his remarks. I think we realize that up to the present time we have been engaged largely in a discussion of world affairs and world diplomacy as carried on by the various nations in the world, and I am sure that I express the unanimous opinion of members in every part of the house when I say that it is very deeply regretted that at the present moment the Prime Minister of Canada (Mr. Bennett) is unable to be in the house to take part in this important discussion. I think the whole house will agree that the Prime Minister's wonderful grasp and understanding of problems of this nature would be invaluable at the present time, that his marked ability in analysing, in portraying and discussing intricate and involved matters would be of the greatest benefit to the house; but perhaps most valuable of all would be the courageous manner in which he is able to consider a difficult question and speedily reach a correct and definite conclusion upon it.

This motion comes before the house to-day by way of an amendment to the motion to go into supply. Under ordinary circumstances such an amendment constitutes a vote of want of confidence in the government, but following precedents established in this house from time to time, in the view of the government, and I fancy in the view of all members of this house, a motion of this kind should not be rejected but should be accepted, if possible, with unanimous approval; and if that be done, as I hope it may be done with regard to this motion, then the house can subsequently go into supply following the practice established by the house upon former occasions.

I have expressed my personal regret at the absence of the Prime Minister at this moment. While I yield to no man in the strong convictions I hold in regard to world peace and the kindred subject of world disarmament, I realize my own limitations and I regret my inability to add very much by way of useful information or cogent argument in support of the motion which has been so elaborately presented to the house this afternoon. As I intimated at the outset I expressly dissent from many of the opinions and views of the mover of this resolution (Mr. Bourassa), but with the principle expressed in the motion I am in most hearty accord. It is a matter of congratulation and of gratification not only in this house but throughout Canada that upon this question, both in this chamber and I fancy also in the upper chamber, there is and will be but a single opinion, and that opinion favourable. My hon. friend from Labelle did not need to labour the matter so far as the parliament of Canada is concerned or so far as the people of Canada are concerned. He will find the same unanimity throughout Canada upon this question as he will find in the parliament of Canada. Many generations will come and go in this country before the memories of the last great war are obliterated. Our memories are too recent, our trials were too great, our wounds and our injuries too serious, and our burdens still too heavy upon us to allow that great war to pass into the realm of history for many, many years to come. So my hon. friend from Labelle will I think find but a single opinion in regard to future world wars, or in regard to the kindred subject of world disarmament.

So far as the national side of this question is concerned there will be little difficulty; there will be but a single opinion. But there is an international aspect to the subject which must not be forgotten. I doubt if it is possible for any nation in the world at this date to occupy a position of isolation or aloofness without having regard to what is going on in the rest of the world. Geographical remoteness no longer exists. Time and space have been almost annihilated by modern means of communication and transportation.

Mr. BOURASSA: May I suggest to my hon. friend, modified rather than annihilated?

Mr. GUTHRIE: I beg pardon?

Mr. BOURASSA: I suggest modified rather than annihilated.

Mr. GUTHRIE: I do not quite catch the meaning of my hon. friend's remark, but I have made my statement. In my opinion from now on we will have to assume an international view of many questions which a few years ago we considered as entirely foreign to the interests of Canada, and we shall have to continue to do so in future years, and all nations in the world will be compelled to do the same. We can no longer consider a question such as the subject matter of this motion as purely a national one upon which there is only a single opinion.

I suppose the starting point of our international relationships was in reality the great war. Certainly they arose when we became parties to the treaty of Versailles. We then definitely assumed international obligations. We entered upon international covenants and agreements, and from that day until the

present we have continued so to do. The new position has now become a permanent one for the Dominion of Canada.

Let us start with the treaty of Versailles. I do not propose to discuss it but merely to mention some of the subsidiary agreements which have sprung from it and which I find in my discussions in the house and outside are not any too well understood by many people in the Dominion of Canada.

It will be within the memory of all, I think that under section 14 of the treaty of Versailles the establishment of a permanent court of international justice was contemplated, and such a court was actually established in the year 1920. Canada became a party to the establishment of that court; so did Great Britain, and so did all the self-governing dominions of the British empire, and all or nearly all of the nations which had signed the treaty of Versailles. That court was established at The Hague under the auspices of the League of Nations, and was established for the express purpose of settling international disputes of a legal nature, or as stated in the treaty, of a justiciable nature, as opposed to disputes of a political nature. The submission of such disputes was placed upon a purely voluntary basis; there was nothing of a compulsory nature in the original proposal.

This system did not prove entirely satisfactory and in 1928 another system generally referred to as the optional clause, was evolved under the auspices of the League of Nations. What was this optional clause? It merely removed the voluntary feature and made the submission compulsory as between those states which accepted or acceded to the optional clause. Canada, the other British dominions, Great Britain and forty-seven other states in the world acceded to the optional clause and permitted themselves to be bound by a treaty which provides that all disputes of a legal nature between states should be compulsorily referred to The Hague tribunal for final adjustment. There were certain limitations with regard to this submission. I have them here in concise form, and I shall put them on Hansard.

Briefly stated, jurisdiction was conferred upon the international court in respect to all or any classes of legal disputes concerning (a) the interpretation of a treaty; (b) any question of international law; (c) the existence of any fact which if established would constitute a breach of an international obligation, and (d) the nature or extent of reparation to be made for a breach of an international obligation. There are some other special reservations, one dealing with disputes with regard to questions which by international law fall exclusively within the jurisdiction of the Dominion of Canada. This refers to such matters as fishery questions and so on. I have outlined the matters which might be submitted compulsorily to The Hague tribunal for adjudication. Canada acceded to the optional clause and became bound by it along with forty-seven other nations.

Then followed what is known as the General Act, a most important enactment which, although referred to by this name, is really only a protocol or treaty arising out of the treaty of Versailles. The important provision of the General Act is that all disputes of every nature shall be submitted to the tribunal at The Hague for settlement by that tribunal. The General Act deals not only with legal disputes but with disputes of every nature. Canada acceded to the General Act and agreed to its provisions; so did Great Britain, so did the other self-governing dominions, with the exception of South Africa, and I believe eighteen or twenty of the other leading nations of the world.

The Permanent Court of International Justice was now clothed with these important powers and was accepted by a large proportion of the important nations of the world. In connection with the optional clause we find that it was acceded to by France, Great Britain, Germany, Spain, Belgium, Holland, Austria, Hungary, and the British dominions. If a dispute were to arise between Canada and any of these nations, such dispute would automatically go to the international court for settlement. How is a settlement arrived at? The first provision for settlement is by way of conciliation; if that fails, then by arbitration if the parties agree; if that fails, then finally by the judgment of the court itself which is reported to the League of Nations.

This court has proved of inestimable advantage during the ten or twelve years of its existence. There have been from 470 to 480 references made to the court in connection with treaties and agreements and differences between nations. Many notable disputes have been adjudicated upon and finally settled. In addition to this, the League of Nations has the power to refer to the court for an opinion any involved questions which may arise from time to time, and I believe the court has already rendered between thirty and forty opinions in this connection. We in Canada deliberately

acceded to all these protocols to ensure the peace of Canada and the peace of the world, so did all the other nations which accepted these treaties and acceded to the court.

The only other treaty which I desire to mention at this time is the one which was discussed so ably this afternoon by the hon. member for Labelle, the treaty known as the pact of Paris, the treaty of Paris, or, perhaps more generally, the Briand-Kellogg pact. I believe this treaty was originally framed by the government of the United States. It was submitted to the government of France, the details were finally settled and it was placed before the nations of the world and their adherence to its provisions requested. This treaty was signed in Paris in 1928 and formally adopted by the parliament of Canada the following spring. It received the approval of and the adoption by no less than sixty nations of the world. The provisions of this treaty were outlined quite fully this afternoon and I need refer to it only very briefly.

The first clause of the treaty condemns recourse to war and declares that war shall be renounced as a means of settlement of international disputes. Surely that language is plain and distinct and any nation which signed the treaty should readily understand it. Clause two is just as plain and just as distinct; it provides that all international disputes shall be settled by pacific means. These brief provisions constitute the treaty of Paris. It is a plain and explicit enactment accepted by sixty nations of the world. I remember hearing the treaty of Paris criticized on one occasion by an American lawyer who stated that one of its weaknesses lay in the fact that no sanctions were provided, that there was no means of enforcing it. The only means of enforcing such a treaty is through the influence of world opinion, and I doubt if any signatory to the treaty would, except for very cogent reasons, deviate from its provisions having in mind the tremendous adverse world opinion which would immediately ensue. It is rather discouraging that notwithstanding the covenants, the protocols, the treaties and the agreements, during recent years two of the signatories to the treaty of Paris engaged in open warfare. I refer to China and Japan. It is discouraging also when we look at Europe to-day and consider the case of Italy and Abyssinia or the general situation which obtains throughout the continent of Europe. It is discouraging also that in spite of all these pacts and treaties and leagues and covenants, that there are more armed men in the world to-day than at the outbreak of the war in 1914, and also that there are greater armaments in the world to-day than there were in 1914. Such is the condition which confronts the world to-day.

The motion moved by my hon. friend from Labelle is exceedingly appropriate to the present situation, and I trust that I shall not give offence to the hon. gentleman if I make a few comments on the argument which he addressed to the House of Commons to-day.

Mr. BOURASSA: I have no objection.

Mr. GUTHRIE: I have stated before in this house in his presence that notwithstanding his wonderful accomplishments one might well say to him, as our Lord said to the young man who came to him, "One thing thou lackest," and I think his greatest lack is what I should call the "practical touch." I think my hon. friend from Labelle rather enjoys the erection of straw men for the purpose of knocking them down; I think he takes great pleasure in tilting at windmills. To my mind, he is something of a dreamer. He dreams; he speculates; he theorizes, and after his dreams and speculations and theorizing he expresses in this house vague and curious opinions to which I for one cannot subscribe, and I feel that the great majority of the House of Commons cannot subscribe to them. To-day the hon. gentleman presented four distinct proposals for a Canadian peace policy and I venture to say that there was not a practical suggestion in one of them, not a suggestion that would advance the cause of world peace or the reduction of world armaments or would in the slightest degree improve the position of Canada in respect thereto.

What did the hon. gentleman say? His first proposal—I have it here as I took it down—was that Canada should take action at once and frame a policy of her own for peace. Well, what practical suggestion did he leave with the house in that respect? He made one, I will grant you; he said that Canada should proclaim to the world her neutrality, and he rested his case there. Would such a course prove of any avail? We boast that we are a nation but we are still part and parcel of the British empire—we are part of the British commonwealth of nations, let me put it that way. The British flag flies over this dominion; His Excellency the Governor General, the head of the state, is the representative of the King in this dominion; we are part and parcel of the British commonwealth. Now suppose we proclaimed to the world our neutrality; would it avail us anything if Great Britain should become involved in a foreign war? The moment war was declared, notwithstanding our neutrality, our commerce at sea would be liable to immediate destruction; our shores might be invaded and our seaports

bombarded by enemy ships, notwithstanding our proclamation to the world that we were neutral. Is that a practical remedy or a useful suggestion, in any way you may look at it? But I take stronger objection to the language he used in setting forth his second proposal. His second proposal was that we should cooperate with Great Britain for peace. I am inclined to think that this proposal was not genuinely made.

Mr. BOURASSA: Oh, pardon me.

Mr. GUTHRIE: I gather that from the last clause of the motion, which I will read to the house:

> It invites the government to lend its support to all effective measures to ensure the world's peace either through the League of Nations or otherwise in cooperation with other governments pledged to the cause of peace.

No sooner had the hon. member mentioned his second proposal for cooperation with Great Britain than he at once indulged in a most severe and uncalled for diatribe against British statesmen, against British diplomacy and against the method of British participation of world affairs.

Mr. BOURASSA: Not all of them.

Mr. GUTHRIE: I could not find, in his whole discussion of his second proposal, one single word favourable to the mother country, as the great majority in this country view Great Britain. We should all recognize that the chief agency in the world to-day for peace is Great Britain. I must say that I could not approve and do not approve the attitude assumed by my hon. friend from Labelle in discussing British statesmen and British policy in the house this afternoon. It left a bad impression on my mind and I think a bad impression on the house in general.

What was the hon. gentleman's third proposal? He developed nothing in regard to the second except adverse criticism of Great Britain. His third proposal was to the effect that we should cooperate with the United States in regard to peace, and on this branch of his subject he waxed eloquent and practically informed the house that we should look to Washington for our security rather than across the sea to the mother country.

Mr. BOURASSA: I had in mind what Lord Fisher said.

Mr. GUTHRIE: I noticed that in support of his argument this afternoon he indulged in a recollection of some conversation which he had with Lord Fisher about 1911. As Lord Fisher has been dead for a number of years he cannot give his recollection of this interview.

Mr. BOURASSA: No; that was between his first and second command of the fleet.

Mr. GUTHRIE: I understood it was before the war. Lord Fisher has been in his grave a number of years.

Mr. BOURASSA: Yes, since then; but he was very much alive then.

Mr. GUTHRIE: I was amused at the method employed by my hon. friend from Labelle when he attempted to persuade this house that in time of trouble we should rely upon the Monroe doctrine for our defence. He made a rather extraordinary statement in regard to this matter. He stated that we must admit that the predominant power in regard to both our internal and our external affairs in Canada was the United States. If anyone outside the house had made such a statement in my presence I would have told him that he should be ashamed of himself. May I ask if the United States was the dominant power in regard to our attitude in 1914 and our participation in the great war, which was certainly a matter of external affairs? Was the United States the dominant power in regard to our attitude at Paris when we signed the treaty of Versailles, and which we have carried out, while the United States has not ratified it? Was the United States the dominant power when we acceded to the treaty establishing the Hague tribunal, to which the United States has not yet acceded? Was the United States the dominant power when we negotiated the British trade treaties in Ottawa in 1932? The facts have only to be stated to show how utterly unfounded the hon. gentleman's statements are—utter rubbish, as I might describe them. But in order to make his proposal to some extent palatable, he sought to drag in what history has referred to many times—the fact that George Canning did have something to do with the framing of the Monroe doctrine.

Mr. BOURASSA: A good deal.

Mr. GUTHRIE: That is not admitted by historians in the United States; it is denied by many public men in that country. I believe however there is some historical foundation for the statement that the late Mr. George Canning did have something to do with the establishment of the Monroe doctrine. However that may be, we in this country are not looking to Washington yet for our defence. Personally I have the greatest faith and confidence in the United States. I believe the second great influence in the world in support of peace and disarmament will be found in the United States. It is not only a great but

a peace loving country. Great Britain perhaps has more at stake than has the United States in the matter of world peace. Great Britain to-day is the undoubted leader in the peace movement throughout the world; Great Britain has during the last ten years devoted her time, her money and her energy, to the question of world peace and disarmament. The statesmen of Great Britain have by no means given up hope of ultimate success; night and day they are working upon this paramount problem, and the best informed thought in the world to-day is confident they will eventually succeed. It is idle for my hon. friend to say that we should look to Washington for our security rather than to Great Britain. He made it quite plain to-day, that he does not approve either the diplomacy or the actions of some British statesmen in the great effort to assure the peace of the world.

Mr. BOURASSA: I would be sorry to interrupt my hon. friend in his magnificent speech, but I am sure he wants to be fair I did not say that we should look to Washington rather than to Great Britain; I said that we should look to Washington and to London at the same time.

Mr. GUTHRIE: The "and" so far as London was concerned was in my judgment not stressed by my hon. friend.

His final suggestion, number four, is that we should seek the aid of the League of Nations in regard to our efforts to secure world peace. I agree with him on that point, but I do not agree with the statements which he uttered in the house this afternoon in regard to the League of Nations. He referred to a motion made in the upper chamber last year by Senator McRae proposing that Canada should withdraw from the League of Nations, and said: If that motion had been made in the house, I would have applauded it, but I would have voted against it.

Mr. BOURASSA: If my hon. friend will permit me, I said: I would have applauded the speech, but I would have opposed the motion, but this year I might have supported the motion.

Mr. GUTHRIE: I think the hon. member's whole attitude in regard to the League of Nations and the statement he made this afternoon clearly shows, that he was running true to form in respect of this matter. The half-hearted praise with which he damned the League of Nations, the grudging support which he gave it—and everyone in this chamber realized that it was merely grudging support—made no appeal to me.

There is this to be said about the League of Nations and Canada's part in it: Canada has consistently supported the league since its inception; there has not been a meeting of the assembly of that august body at which Canadians have not been present to represent their country, and it is a matter of pride to Canadians; it is a matter of pride to me that in 1925 Senator Dandurand was elected president of the assembly of the league, and also that in 1927 he represented Canada on the council of the league, the council being, as the house knows, the power house of the league. Canada has won a high place in the council of the league. But we must not overestimate the influence of this country in a gathering such as meets annually at Geneva, consisting of some forty, fifty or sixty of the great nations of the world. I know and they know that Canada is a country of ten million people, a new nation. I have been there myself on one occasion, and we all realize when we go there that the influence of Canada is respected, but I would not say that it is great; certainly it is not predominant in any way. But consistently Canada has supported at the gathering of the league all measures for world peace and all measures for world disarmament.

There is this to be said, that during its career of some fourteen or fifteen years the league has been a very steadying influence in world affairs. It may not have succeeded in keeping down all armed conflict, but it has succeeded in settling many difficult problems which might otherwise have caused revolt throughout the world had the good auspices of the league not been employed in the settlement of them. One of the weaknesses of the league, one of the weaknesses of the permanent court at The Hague, lies in the fact that the United States has not become a party to either of them. Another weakness, when I was there, arose from the fact that Russia had not become a party to the league. I for one, expressing my own opinion, am gratified to know that Russia now belongs to the league. I may say that in 1931 when I attended as a representative from this country, Canada was the only nation in North America that was a member of the league. I was asked to say a word in support of the application of Mexico to join the league. It was the first occasion on which I made a speech in that body; I was very glad to endorse the application and Mexico became a member at that gathering. Not that I have any tremendous respect for Mexico; I know very little about it, but I think it is far better for the peace of the world that countries like Russia and

Mexico should belong to the league and come under its influence than that they should remain outside it.

I do not know that I have anything further to add in regard to this matter. To my mind Canada's duty is clear; we should pursue the even tenor of our ways; we should seek to mould and control public opinion as far as possible in support of all peace proposals and international disarmament. Canada is recognized at Geneva as one of the few countries in the world where armaments are considered negligible. We are in no sense of the word an armed nation. I believe our expenditure on armaments upon a per capita basis is lower than that of any of the other civilized countries. That is one example which we have set at Geneva, but it is not an example which has prevailed upon the other nations to limit their armaments. Whether limitation can be accomplished, whether disarmament will become an accomplished fact in the near future, one cannot say. Our efforts, our hopes and our prayers are directed in support of disarmament. We hope our prayers may be answered; but let us continue to pursue the course we have followed for the last ten years, the active support of all peace proposals. I do not believe the time has yet come when men are prepared to beat their swords into ploughshares, their spears into pruning hooks. That day may be yet far distant, but Canada's course is plain.

There is nothing in the principle involved in this motion to which I could object; I accept it as it is drawn and so does the government. I cannot however accept the statements made in regard to it by the hon. member for Labelle. I approve in every way the League of Nations. I can only say that if it can succeed in keeping the peace of the world; if it can succeed in driving the fear of war from the minds of men and in removing the burdens of war from the backs of weary multitudes, it will accomplish much in the cause of civilization.

Miss AGNES C. MACPHAIL (Southeast Grey): Before the question is put, Mr. Speaker, I want to take this opportunity of agreeing with the position taken by the hon. member for Winnipeg North Centre (Mr. Woodsworth) this afternoon and evening. I think the hon. member expressed, as well as another could, my views on a constructive national policy for Canada.

I do not intend to express again the numerous positive, emphatic statements the hon. member made in the stand that he felt, as a typical Canadian, he should take. As I followed almost all the speeches that have been made on this subject I felt that the outstanding causes of war boiled down to possibly two. In the first place I think there are unnatural boundaries which outrage the ideas of racial solidarity and ignore the cultural rights of minorities, and I believe these unnatural boundaries are very largely the result of the treaty of Versailles. For many years I have been out of sympathy with that treaty; I think it contains the causes of many wars. Whether or not we shall be able to change the treaty in time to save the world from those wars I do not know.

The other cause of war, which to me seems by far the chief cause, is the ever increasing, bitter fight for diminishing markets. I believe I have expressed my feeling in almost the same words previously during this session. Every country in the world is seeking to sell in the markets of the world those goods which their own people would like so much to have but which they cannot afford to buy. When you find every country seeking to sell surplus goods in the world markets, with no one wishing to buy, there is bound to be increasing competition. Not only do nations seek to sell; every country seems to believe that it must have a surplus of sales over purchases, or what we call a favourable trade balance. Any reasonable person knows that every country cannot have a favourable balance of trade; it is impossible. A few countries may have such a balance, but all countries cannot have it, and this frightful effort on the part of every nation to sell more than it buys—which of course is impossible—has helped bring the world to the state of tension in which it finds itself at the moment.

There are, of course, very many other factors. I do believe that when armaments multiply rapidly they are not only an indication of war but are a cause of war. The Minister of Justice (Mr. Guthrie) spoke of the court of international settlement, and I think everyone is glad that so many causes of war have been referred to that court. But may I say that the chief causes of war are of such a nature that they cannot be referred to the permanent court of international settlement, or as the United States call it, the world court. That is true in regard to this ever-increasing struggle for markets. That is not a matter that can be referred to the court of international settlement, and in my opinion those matters which can be referred to the court are not the chief causes of war. I think they are minor matters and that the chief cause of war is this frightful struggle for markets which, as conditions are to-day, really do not exist. That matter will not and indeed cannot be referred to the court of international settlement,

so while I am glad we have the court and I am glad of its success up to this time, I do not think we can look to it with any real confidence as a tribunal that will settle the most aggravated causes of war.

I feel more and more that we must learn to distribute goods and services in every country up to the needs of the people, and when we have satisfied the people's needs in each country, the terrific struggle for markets will be lessened by exactly the amount of goods consumed by the people who to-day are living below a decent standard.

This afternoon the hon. member for Winnipeg North Centre said that when he was at a meeting of the league he formed the impression that Europe played too important a part in the work of that body. No one who has ever been there could have any other feeling. You feel that Europe takes itself much too seriously and that unfortunately the world takes Europe much too seriously. After all Europe is only one continent and there are many others, but the league is dominated by the European nations and European problems, and there has not been anything like sufficient recognition of other continents and their problems. To-day no thoughtful person can look at even the headlines in the daily papers without being deeply troubled or without seeing that in spite of all the talk of peace the nations are making frantic efforts to rearm. If ever there was a time when Canadians needed to take their place in the League of Nations seriously, that time is now. Much as I would like to think that Canada has taken her work in connection with the League of Nations seriously, I must disagree with the opinion of the Minister of Justice in that regard. I think we have taken a very nominal place there; I think we could have done very much better if we had taken our work in connection with the league more seriously. That is a subject in connection with which I have stated my position previously.

There is one other matter to which I should like to refer, and that is in connection with the things we might do right here in Canada. I do feel that one way of improving Canada's work in connection with the league is to have the portfolio of external affairs held by a minister other than the Prime Minister. The Prime Minister is too busy; he cannot leave Canada as often as is necessary to discharge most efficiently the duties in connection with that portfolio, and I think the change should be made without delay. Then we have in Canada an organization that is seeking to do a very fine piece of work in educating public opinion, and that is doing its work very well indeed when one considers the meagre funds at its disposal; I refer to the League of Nations Society. I do not believe the House of Commons of Canada can say conscientiously that it is working for peace when it votes to the League of Nations Society in Canada only $3,000. When certain subscriptions to League of Nations documents are paid the net amount is only about $2,000. The parliament of Canada votes only $2,000 to the League of Nations Society but votes millions for military equipment. We maintain a military college. In the present year we have heard of some fairly large contributions to the Boy Scouts Association. I have no fault to find with the Boy Scouts, but I believe there can be very little comparison, so far as the good which can be accomplished is concerned, between the Boy Scouts Association and the League of Nations Society in Canada. Before dissolution we ought to vote to the League of Nations Society in Canada a sum of money in keeping with its importance and with the very intelligent work it is doing.

There are many functions the society could perform but which on account of shortage of funds it finds impossible to perform. I do not wish it to become a creature of the government or of parliament, but I do say the moneys the society collects by way of subscriptions and donations ought to be liberally supplemented by a vote of this parliament. Had they the money I believe they could supervise intelligently an extensive peace program to extend throughout the dominion. They could do much towards linking up the work in Canada with that of international institutions outside the dominion which are working in the interests of the people. They could do much through existing organizations such as farm and labour groups, schools and churches, to inform the people on international matters. They could cooperate with the press and with women's organizations. They could have a panel of well informed and well trained speakers; they could have literature, posters, and so on.

Some years ago I suggested in this chamber that scholarships should be provided whereby it would be possible for Canadian students to go abroad on a more extensive scale than now obtains, and students of other countries to come to Canada to study. I still believe that might well be done. Last year and indeed for many years I attended the annual meeting of the League of Nations

Society in Canada. I wish every hon. member could have attended it, because the annual meeting held last May at the Chateau Laurier was an intellectual treat. The papers and discussions were of a nature which it would have profited us to go a long way to hear. The standard was so high that I believe it would be advisable to make arrangements whereby such a society might be in a position financially to arrange for a summer school in which certain subjects could be pursued and possibly certain definite conclusions arrived at. Such a school would be one not of propaganda but of education in the best sense of the term. The League of Nations Society could do a great deal towards encouraging creative thinking in the schools and colleges of Canada along lines of international relationships. My statement may sound ridiculous, but I believe I am correct when I say that if we can support a military college we ought not to claim to be completely devoted to the cause of peace until we are willing to support a peace college, if it could be so termed. At any rate, if we cannot have a separate college every assistance should be given to the departments in colleges already established which are seeking to enlarge the people's knowledge of international relations. The establishment of a peace college may offend some people who might believe that peace propaganda would be broadcast. However I should be inclined to think it would be a perfectly sound proposition to establish a peace college and would be no more in the way of propaganda than would a military college such as is already established.

I believe there is a great need in Canada of a library devoted to the subject of international relations and good will. The League of Nations Society need such a library. They have not the money to buy the volumes nor indeed have they sufficient to procure rooms for the bare physical framework of a library. And so I urge—and it is really for this reason I have risen—that we do this thing which lies at our hand. It is something we can do. I think in Professor MacDermot the League of Nations Society has a secretary with the intellectual capacity sufficient to do all the things I have mentioned and many I have not mentioned. I believe he is capable of giving intellectual leadership to a peace movement in Canada, and I do feel as members of the House of Commons we should do this very small thing, this one concrete thing.

I again urge that the portfolio of Secretary of State for External Affairs be separated from that of the Prime Minister, and that such official should head the delegations to the League of Nations Assembly year after year, so that his knowledge of these matters would be comparable with the knowledge of other delegation heads going there from year to year.

In closing I wish to repeat that in my opinion the chief causes of war are economic, and until there is a distribution of goods and services which will allow the people of the world to enjoy the goods which they themselves produce, we will not be eliminating the root causes of war.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Mr. Speaker, I was greatly impressed by one observation made at the beginning of his address by the hon. member for Labelle (Mr. Bourassa). He spoke of the gravity of the situation in Europe, saying that it was one which threatened the peace of the world. Having made that declaration the hon. member then proceeded to express the hope, one which I think was in the breasts of all hon. members, that any debate which might take place would not be in the nature of party controversy. I had hoped that upon this occasion such might prove to be the case. I can see however wherein it was unavoidable that exception should be taken to some of the observations of the hon. member. Indeed I would not be honest with him or with the house if I did not state that while I concur in very much of what he said there were some of his remarks with which I could not agree. May I say however that while hon. members in this chamber may debate these matters in a manner which is understood among themselves and in all parts of our country, in view of the conditions obtaining in Europe to-day, and in view of what is happening even in the present week, there is a danger that some observations made in this chamber, while understood by hon. members and by Canadians, may not be as well understood in other parts of the world. For that reason I believe upon this occasion we cannot be too guarded in our criticisms of events in the old world. There have been negotiations between Britain and Germany; there are negotiations going on between Britain and Russia, and in the course of a few days the negotiations will be enlarged to include other nations of Europe, all with the one great objective of effecting a collective security and maintaining the peace of the world. I submit that there is no question of the day comparable in importance or consequence with the situation as it is existing in Europe to-day. It would be most unfortunate indeed if any

word from either side of this house should go out to the world, the purpose of which was capable of being in any way misconstrued.

May I say that I welcome very much the resolution which my hon. friend from Labelle has introduced. I am glad that the government has found it possible to accept the motion wholeheartedly, that they have not found it necessary to discover technical reasons why this motion which is being moved on going into supply cannot be accepted by the government and by the house, and I hope and believe and know that it will be accepted unanimously.

It is at this time quite appropriate that we should reaffirm, and reaffirm very strongly, the position of Canada with respect to the Paris peace pact, as it is termed, the Briand-Kellogg pact, and the position that we in Canada take in relation to the work of the League of Nations. The first clause of the motion, that "this house reiterates the adhesion of Canada to the general treaty for the renunciation of war signed at Paris on the 27th day of August, 1928, and approved by this house on the 22nd day of February, 1929," will I know be acceptable to every hon. member of the house without respect to the party to which he may belong. I am pleased to recall that in 1928 I had the honour of signing in Paris the Briand-Kellogg pact on behalf of Canada. We in this parliament have heretofore approved the peace pact, and at this moment it is I think wholly appropriate and perhaps helpful to the world situation that we should reaffirm our endorsation of it.

There is but one other clause in the motion, and it "invites the government to lend its support to all effective measures to ensure the world's peace either through the League of Nations or otherwise in cooperation with other governments pledged to the cause of peace." I hope that every living soul in this country will be prepared to support that clause. I believe they will be. I cannot imagine that in any part of Canada to-day there exists anyone who would desire the government to do other than all that is within its power at a time like this in the world's affairs to further any project that will make for peace and give the utmost support that it can to any institution that is working for the peace of the world.

It is easy to criticize institutions. The League of Nations, like all other institutions, has its limitations, but after all it is the one continuing consultative international body working for peace in the world to-day. It is the one recognized world agency for the purpose of furthering cooperation among those nations that are seeking to preserve peace. We can only begin to estimate its value when we ask ourselves what position the world might be in to-day had no such world agency been created, had no public opinion been aroused such as has been aroused and formulated within the last ten or fifteen years through the agency of the League of Nations, and which is making itself felt at the present time.

Only a few months ago the world was horrified by a crime perpetrated at Marseilles. It looked for the moment as if Europe might as a result of that crime be plunged again immediately into war. It recalled to the mind of everyone what happened at Sarajevo shortly before the beginning of the great war. But what has happened since is evidence that while there may be forces which are preparing for war, that are seeking to be in readiness for the moment of action, on the other hand there are other forces which are working very strongly for peace. The forces which are working for peace were able last year at least to prevent that crime being followed by an event so disastrous as that which followed the assassination at Sarajevo. There are many other evidences that the forces which are working for peace have found a means of coordination, have found a method of common expression and a promise of world support through the League of Nations, which would not be present to-day but for the existence of the league.

Certainly so far as Canada is concerned I think that what has been said to-night about our part in the league, modest as it has been, has been well said. The example of Canada, while a small country, has nevertheless been one which other nations as well as we ourselves could point to with pride. The fact that geographically we are situated as we are with a great and powerful nation to the south of us, and that our difficulties for a century and more have been settled by the appeal to reason rather than by the appeal to force affords an object lesson to the world the like of which can only be discovered on this continent. If the countries of Asia and Europe would follow the example of North America and appoint international joint commissions to which their disputes might be referred for consideration and investigation and report, bringing to bear the light of an informed public opinion upon the case in dispute, I venture to say that the need for much in the way of armament would soon disappear.

I repeat that I hardly think in the light of the European situation at the moment and what is being sought to be done to improve

conditions there, it is wise to go too far in our discussion of policies that may or may not be best for the preservation of peace. I would like however, to say with regard to disarmament that I do not think it is sufficient for this country simply to say that it supports the League of Nations in its policy of disarmament. I think we ought to name a concrete policy in that regard. Having observed what has taken place in investigations in the United States, where beyond all question it has been shown that there are those who are prepared to traffic in the manufacture and sale of munitions and armaments for the sake of gain, that there are large interests that are even selling simultaneously to countries that are at enmity with each other, it behooves this country and I believe all nations to begin immediately to investigate the whole business of armament manufacture and sale. I should like to see a beginning made in this country of a thorough investigation into the whole business of the manufacture and sale and distribution of munitions of war and armaments, and that step put forward as part of a policy to govern British countries, a policy that we would hope might be followed in all parts of the British empire. I am glad that in Great Britain a commission has been appointed for the purpose, and I am sure that if the British empire as a whole made it a part of the policy of its several parts to investigate to the utmost limit the workings of these great armament production interests and those who are concerned on the commercial side with the sale of munitions, it would have an enormous effect upon other countries, and if the United States paralleled the example of the British empire in that regard, that example would soon be followed by other nations of the world with results of benefit to mankind.

I agree with what has been said this evening by the last speaker (Miss Macphail) in her references to the importance of our economic policies, our trade policies as well as those policies that are more immediately associated with the question of war. I believe the greatest curse with which the world has been faced in the last five years has been the curse of economic nationalism. As I have said repeatedly, if there is one curse that is greater it is that of economic imperialism. I believe that the sooner we find a nation which has the courage to set an example to other nations of a friendly attitude in the matter of trade, a friendliness carried to the point of presenting to other countries an opportunity to trade, the sooner we will find a breaking down of those walls behind which hatred between different nations has been fostered.

There is no doubt that the cause of much of the world's unrest which exists to-day is the consciousness that countries are being denied the opportunity of trading with other parts of the world. The idea that a selfish policy of the kind can be fought with retaliation is a serious mistake. Retaliation in kind has only served to make conditions which were bad infinitely worse. A great deal has been said to-day about a Christian attitude in human affairs and in international relations. If we are going to talk about the brotherhood of man, it is about time we began to treat those who belong to other nations as though they were brothers instead of enacting embargoes and prohibitive trade restrictions and other vexatious hindrances to trade. This is one thing which bears upon a condition which we all know to exist in this as well as in other countries of the world.

I am inclined to believe that much good could be done if this and other countries were to take a more definite stand on what they would or would not do in the matter of helping to preserve collective security. There should be more definite statements as to the attitude which would be adopted toward any nation which would threaten the security of other nations or which was proven by the facts to be guilty of having disturbed the peace of the world. I think this country ought to declare that any nation which could be shown to have threatened the peace of the world by violating a pact of collective security should be denied any assistance in the shape of men or munitions, should be denied any assistance in the nature of food, should be denied any assistance through credit. Our country, small as it is, might well lay down a definite policy in that regard as expressing Canada's attitude toward any country which upon the facts being disclosed was found to be guilty of attempting to destroy what otherwise might be collective security. If that example were followed by other parts of the British empire, as I believe it would be, it would soon be followed by other parts of the world.

What I am seeking to emphasize at the moment is the fact that as part of the British empire this country should make itself heard even more definitely than in the past with respect to some of these matters upon which we feel very deeply. I do not believe that a situation could develop in Europe which would engulf that country in war without the effects of that situation inevitably being felt in all quarters of the world. It is quite easy to say that we would stay out of

the war, that we would not send men to fight in Europe, but after the experience I had of the pressure which was exerted at the time of the Chanak incident, referred to this afternoon, I have very grave doubts as to what might happen in Canada if war were to break out again in any part of the world. I think we can take it for granted that the next war will not be one which however colossal its death and destruction may be, will leave the world simply in depths of depression and distress such as it has experienced in recent years; it will be a war which will do much to obliterate human society itself. There cannot be any conceivable menace to mankind as great as that.

When I went to Europe last year I did so largely with the view of ascertaining at first hand the facts with respect to the situation which one was led to believe existed in the old country. The impression which I gathered from conversations with those who were well informed in Great Britain, France and Italy was that while the peoples of Europe undoubtedly did not wish war, while the governments themselves did not wish war, there was no one who would say that conditions were not such that war might not occur at almost any moment. What has taken place in Europe during the last few years? We all know that much of what there was of democratic institutions before and even since the war has been swept away. Instead of government under democratic methods such as we have under the British parliamentary system, there is in Europe to-day a network of dictatorships. There is a dictatorship in Russia, there is a dictatorship in Germany, in Italy and in Austria as well as in other countries. What happens under a dictatorship is that the will of one man may precipitate an entire country into a step which it becomes impossible to retrieve. So long as communities remain democratic, and so long as governments are subject to the will of members of parliament who are representatives of the people as a whole, I for one have not the least fear of war commencing in those countries. But where peoples have surrendered their freedom to autocratic governments, where autocratic governments have become more and more government by individuals whose will and whose wish become the expressions of the nations as a whole, then there is an increasingly grave menace to human society.

I believe that the British people will perhaps be able to render their greatest contribution to the world by maintaining their system of government as it has developed during the last century or two. I believe that to-day Great Britain is wielding a great influence for good in Europe, and is able to wield that influence because it is known throughout Europe that when Great Britain speaks she is speaking for the people of Great Britain as a whole. The trouble with some of the other countries is that when a word is spoken no one can say whether it is the word of the people or of an individual. What perhaps is most serious of all is the fact that contracts have lost their sanctity. The written word, the pledge, has ceased to have the value which it had in years gone by. In Great Britain the written contract is still accepted, and the pledge is still honoured; when the government of Great Britain gives an undertaking it is something which can be relied upon, and I believe the voice of Great Britain speaking in this authoritative way may yet prove to be the voice which will help most to preserve the peace of the world. So far as this parliament is concerned, every hon. member feels I am sure that the greatest service we can render to-day to the peace of the world is to let it be known that so far as the efforts which Great Britain is making are towards mediation, towards conciliation and towards eliminating the fears of nations, the members of all political parties in Canada are unitedly and strongly behind such efforts.

[Mr. Mackenzie King.]

Amendment (Mr. Bourassa) agreed to.

Motion (Mr. Rhodes), as amended, agreed to.

Mr. RHODES: To restore the order paper, as a result of the motion just passed, I move that the house resolve itself immediately into committee of supply.

Motion agreed to and the house went into committee of supply. Mr. Morand in the chair.

Progress reported.

THE BUDGET

DEBATE ON THE ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed from Friday, March 29, consideration of the motion of Hon. E. N. Rhodes (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means, and the proposed amendment of Mr. Ralston, and the amendment to the amendment of Mr. Coote.

Mr. W. A. BEYNON (Moose Jaw): In view of the very generous reception with which the budget has met at the hands of the press of Canada, for me to devote any time to complimenting the minister on his presentation would certainly be like carrying

coals to Newcastle. Suffice it to say that I feel both satisfied and gratified with the budget brought down by the Minister of Finance (Mr. Rhodes) this year. I was struck with the change in the method of procedure of the hon. member for Shelburne-Yarmouth (Mr. Ralston). I have always listened with a good deal of interest to his annual onslaught on the budget and I listened again this year with equal interest. I noticed, however, this year for the first time that he spent practically half an hour in what I might term amusing witticisms. It is the first time he has blossomed forth as a humorist, and I do not think that the hon. gentleman is as happy in that role as he is in the role of a serious critic. I think we all felt that his humour was perhaps a little too premeditated; it never surprised us—we always anticipated it. The hon. gentleman might be pardoned for making that departure this year inasmuch as the Minister of Finance had left him a very difficult task, and it was quite natural that he should attempt to cover with levity his failure to find at least one vulnerable spot in the budget.

The hon. gentleman's first attack was upon the policies of the Prime Minister (Mr. Bennett) when he went to the old country in connection with the economic conference. My hon. friend revived the old story, that the Prime Minister, by his "blasting" policies, had offended the British people and made it impossible for us to trade with other countries. I should have thought that this would be a very inopportune time for the hon. member to bring up that question. He must surely remember that his right hon. leader (Mr. Mackenzie King) went to the old country the latter part of last year and undoubtedly sounded the British people as to their attitude towards these agreements, and on his return to this country he precipitated a family quarrel in the Liberal party by ordering the mighty Vincent to destroy tons of literature he had prepared in denunciation of the agreements. I should think the charred remains of that pile of campaign ammunition would be a silent reminder that a false statement remains a false statement, no matter how often it is repeated.

The next charge he made against us was that we had led the way in economic nationalism and now we are recanting. Surely the hon. gentleman knows the difference between recognizing a fact and espousing a principle. All this government and the Prime Minister have done is to recognize the fact that economic nationalism is rampant in the world, but to say that this government or the Prime Minister has adopted that as a principle is far from the fact. On the contrary the very statement made by the right hon. leader of the opposition contradicts the idea, for he said that the Prime Minister's attitude was to blast his way into the markets of the world. Surely that is absolutely at variance with the idea of economic nationalism.

The next charge he has to make against us is that we have failed to keep the channels of trade open. I am not going to reiterate what has been stated so often in the house or to deal further with a matter so ably dealt with by the Minister of Railways (Mr. Manion) in his reply. Surely if there is anything in which the Liberal party has excelled, it is in repeating over and over again a statement hon. members opposite know is not true and doing so without batting an eye. It has been repeated in the house and throughout the country; it has been stated by the Prime Minister, the Minister of Railways, the Minister of Agriculture (Mr. Weir) and nearly all speakers on this side, that almost every market in the world was closed to our products before this government came into power. One cannot help admiring the persistence and audacity of people who will, in the face of what has been said, continue to reiterate that this government has closed the markets of the world to Canada.

Then the hon. member attacked the basis of our trade balance; he said that we prided ourselves on our favourable trade balance but that it is not of the value we claim because, he said, it was not properly obtained; it was obtained by restricting imports instead of by increasing exports. Well, it changed from a favourable trade balance to an adverse one of some $140,000,000 or $150,000,000 during the regime of hon. members opposite. If that is so, did they keep the channels of trade open? Did they keep our exports up? Surely if we had an adverse trade balance of $140,000,000 and a favourable one is desirable, as they are prepared to admit it is provided it is obtained in the right way, the time was opportune for them to proceed to obtain that favourable trade balance by increasing exports, which he says is the proper way to do it. It therefore follows that the hon. gentleman's party has failed to do the very thing which he has charged us with failing to do. What happened? Canada, being a debtor nation, must have a favourable trade balance or

must face bankruptcy. If she cannot obtain a favourable trade balance by increasing exports, then she must obtain it in some other way. What this government did was to obtain it in two ways: first, by decreasing imports and, second, by increasing exports. But this government recognized the fact, which apparently the previous government did not do, that this country, being a debtor nation, would face bankruptcy if it did not have a favourable trade balance.

I want to remind the house that in 1914 this world faced I suppose the most tragic crisis in its history. At that time it needed men of ability, of education, with trained minds and force of character, as leaders in the armies of the world. The hon. member for Shelburne-Yarmouth volunteered his services, and I am glad to say that he proved to be a very valuable, efficient and loyal soldier. A gratified nation wished to recognize the services he was performing, the sacrifice he was making in devoting himself to the service of his country. He went overseas as a major; he was promoted to the rank of lieutenant-colonel; he was given a substantial remuneration for his services while overseas, although perhaps not what everybody would think was sufficient, but all that the nation could afford under the circumstances. He was decorated; he was given marks of distinction, of honour; he was mentioned in dispatches. He was admitted into the best society of the land; he was wined, dined and feasted. He was given a batman to brush his clothes, polish his shoes and shine his buttons, saving him from all menial tasks. In fact everything that could be done for him was done in recognition of the valuable service he was rendering to his country. Moreover, he was given immunity from political aspersion. People were not allowed to say that the hon. member in his work as a soldier was fighting not for his country but for his own glory. He was immune from that because the people would not permit such things to be said of a man who was giving himself to his country. The war crisis ended.

Twelve years rolled by and another crisis arose. This however was a peace crisis, almost as bad, a tragedy perhaps as deep and dark as ony of those met with on the fields of Flanders. Again we required men of training and ability, men who were willing to sacrifice themselves for their country. In western Canada we had such a man in the person of John I. McFarland, who volunteered his services. He had a peculiarly trained mind. But what did the country do for him? It is true a private corporation offered him a salary, but he refused it. He was not given a uniform; he was not given any medals or badges or award. He was not given a batman; he was not given any rank of distinction, not even that of a corporal. He was not wined, dined or feasted.

Mr. POWER: He was given $100,000,000 to play with.

Mr. BEYNON: I am glad to hear the hon. member make that remark and I hope he will stand by it.

Mr. POWER: He certainly will stand by it. Comparing that gambler with one who went to war! What are the Tories who were the friends of the soldiers coming to?

Mr. BEYNON: That man went out without any honour, any pay, any rank or any distinction. He gave this country the benefit of his knowledge, his experience, and he gave just as loyal service and made just as great a sacrifice as did any man in battle. He did not ask for anything. But what was said of him? He found the people of western Canada struggling against the forces of nature and against an adverse world condition, and I am sorry to say that they also had to struggle against the greed and cupidity of certain individuals and groups trading in this world. One would have thought a man giving that service to his country, devoting himself without pay and without honour, asking nothing but the right to serve his country, would at least be entitled to the gratitude of his fellow men. But what does the hon. gentleman say about it in his speech in reply to the Minister of Finance? Here is what he has to say:

> I suppose that the idea originally was that either Mr. McFarland or the government for whom he was acting wanted to make a reputation as astute market operators and possibly to get some glory out of the distribution of the profits later.

Further on he says:

> —but what I have the strongest criticism to offer in respect of is the method and the motives which seem to have actuated Mr. McFarland in carrying out his mandate.

And he goes on to say:

> —taking the credit of the people of this dominion and putting it behind one man in order that he might deal with that credit, not for the benefit of the western wheat producer—and I shall show that in a moment —but for the possible eventual glorification of Mr. McFarland and this government.

I ask you, Mr. Speaker, what would be the attitude of hon. members opposite or of hon. members on this side of the house if I stood here and said that the hon. gentleman sacrificed the lives of his men overseas for the glorification of himself and his fellow-officers?

Mr. RALSTON: All you said was that he was wined and dined overseas.

Mr. BEYNON: Has it come to this, that the hero who serves his country in time of peace is not entitled to the same amenities as is the hero who serves his country in time of war? I want to know if the Canadian citizen who will give his time, his money and perhaps even his life in the service of his country in time of peace is not entitled to the same consideration as the man who fights in the army in time of war. If the statement of the hon. member for Shelburne-Yarmouth was true it meant that Mr. McFarland was not only sacrificing the credit of this country but he was prepared to risk the happiness, the fortune and even the lives of something over two million people in western Canada. I am convinced, Mr. Speaker, that while nothing can absolve the hon. member for Shelburne-Yarmouth from this unfair, ungenerous aspersion which he has cast upon the character and work of Mr. McFarland, after he has left public life he will suffer the pangs of remorse when he realizes that on this occasion in the House of Commons he was not sufficiently generous to pay tribute to a patriotic fellow Canadian who is giving his services in a time of peace, not in the glamorous theatre of war—

Mr. RALSTON: What kind of theatre?

Mr. BEYNON: —but in the quiet of a drab, dull depression in which there is absolutely nothing in the way of glory or glamour but only the opportunity to serve his fellow Canadians. Yet the hon. member for Shelburne-Yarmouth was not generous enough to refrain from casting such aspersions.

It is possible, of course, that the hon. member does not fully appreciate the tragedy that is being enacted on those western plains. He is living in the midst of a large city, in the more or less fortified recesses of St. James street, where matters of this kind cannot be fully understood or appreciated. At the same time I submit that before making a charge of this kind against a man like Mr. McFarland he should more thoroughly investigate these matters. It is true that on several occasions the hon. member for Willow Bunch (Mr. Donnelly) has made similar statements, which have been passed by without a great deal of thought or without a great deal of attention being paid to them. Perhaps that is due to the fact that on this side of the house it is not generally thought that the hon. member for Willow Bunch is capable of anything better, but we did expect something better from the hon. member for Shelburne-Yarmouth. He is a soldier, a scholar and a gentleman, and we expected something better of him.

What are the criticisms that are levelled against Mr. McFarland? The first is that in 1933 he either did not sell the wheat, or if he did he went into the market and bought it back again. Let us just examine that for a moment, because it indicates very clearly that the hon. member for Shelburne-Yarmouth does not really understand very much about the wheat business. As a matter of fact every time Mr. McFarland sold a quantity of wheat he stepped right into the market and bought that quantity of wheat back again by way of options. That was necessary; it was impossible for Mr. McFarland to sell any wheat without doing that, for the simple reason that neither the millers nor the exporters will buy any wheat at all unless they can hedge their purchases, and Mr. McFarland was taking the hedges. The hon. member for Shelburne-Yarmouth seems to think that if Mr. McFarland goes in the market and sells one thousand, ten thousand, or one hundred thousand bushels of wheat, that amount immediately disappears from the world's surplus. It does not matter whether that wheat is in Winnipeg, on the boat or in England; until it is manufactured into flour and sold to the consumer it is still a part of the world's surplus. There is no such thing as stepping into the market and disposing of this carry-over or this surplus of ours overnight.

What is the next statement of the hon. gentleman? He says the government of this country is holding the price of wheat in western Canada far too high, and by reason of that fact we are losing the British market. I want it to be remembered, Mr. Speaker, that every Liberal member from western Canada applauded that statement when it was made in this house and they are all committed to that statement of fact and that principle, that the government is holding the price of wheat in western Canada too high. The people of the west must remember that if hon. gentlemen opposite are returned to power naturally they will immediately proceed to correct that which they believe to be wrong; the people of the west must remember that if hon. gentlemen opposite come into power the price of wheat will go down. How is that to be accomplished? It can be done only by throwing all the wheat on the market regardless of price, and that is the policy advocated by the hon. member for Shelburne-Yarmouth. He said, "Why didn't he sell it; why not throw it on the market

and let the price go down, as the Argentine and Australia did?" What would have been the result? If that policy had been followed there could have been only one result; you would have had practically the entire population of Manitoba, Saskatchewan and Alberta on relief. In addition you would have lost at least $25,000,000 of purchasing power in Canada; there would have been much more to be raised in the way of taxes in the east and there would have been much less goods purchased in the east and consequently less money with which to pay those taxes. So you would have had something like economic chaos in Canada. Hon. gentlemen opposite are sometimes wont to laugh when the Prime Minister speaks of having spent his days and nights trying to maintain the industrial and financial structure of this country. I want to say that one of the big aids in maintaining that industrial and financial structure was the support given by this government to the grain market.

The hon. member says we are losing our grain markets, that England is ceasing to trade with us and that if they come into power they will throw the grain on the market and depress the price to the point where the British millers will buy it. To show that this is actually the Liberal policy I have before me a quotation from the Winnipeg Free Press, which after all is the mouthpiece of the Liberal party in western Canada. In 1929 the Winnipeg Free Press had a certain policy with respect to wheat, and this is what it was:

> Since July enormous quantities of low priced wheat have been exported to Europe from the Argentine, Liverpool buyers were under no necessity to buy Canadian wheat at $1.59 per bushel or thereabouts, when they could buy from Argentine at $1.12.

On October 23, 1929, there appeared the following editorial:

> In such a situation with more wheat offering to buyers than they want, the argument that Canadian wheat should be freely offered at competitive prices seems curious. If it were thrown on the market at prices which made it highly attractive to speculators, it might be bought, but would it be used? The price might fall, and the wheat still remain in storage.

Further on they say:

> Whatever the economic effect has been this summer in the Argentine, the fact is that Argentine wheat is being sold at prices in Liverpool which would be disastrous to Canadian producers.

I want to point out to you, Mr. Speaker, that at the time this editorial was written for the Winnipeg Free Press, Argentine wheat was selling at $1.12 a bushel. Yet hon. gentlemen opposite tell us to-day, at a time when Argentine wheat is selling from 50 cents to 60 cents per bushel, that we should dump our wheat on the market in competition with that wheat, and that the western farmer should take the consequences.

We see that a little later the Free Press, as usual, had a change of heart. In 1929 the Liberal party was responsible for the government, but in 1935 we have a Conservative government. Criticizing the speech made by Mr. McFarland in Moose Jaw they have this to say about the wheat situation:

> The next most significant feature of Mr. McFarland's address was his attempt to return to 1929 conditions and the mentality of that year.

Here is a very significant statement:

> Of course, everybody was wrong about wheat in 1929.

The Free Press admits it was wrong about wheat in 1929.

> We were all at that time warm with enthusiasm over our belief that the world had to come to us for wheat and that the price would be what we chose to demand. But people capable of learning were pretty thoroughly cured by the experiences of that year. As the season of 1929 advanced, it was revealed to our chagrin that the world's statistical position of wheat was not what we fondly thought it was; that the domestic crops in European countries were far larger than estimated; and that there was literally no end to the supplies of wheat from Argentine. The lesson that 1929 should have taught us was that if in competitive markets our wheat is held above the current price, we keep the wheat (which bulges forth as a carry-over) and the other nations do the business.

That sets forth the position of the Liberal party to-day. That is what the Free Press has been advocating for the last year and a half, namely, that we throw this wheat upon the market and let the price be depressed to whatever point it may, letting the western farmer take the loss. What have the western producers to do?

I was amused when the hon. member for Shelburne-Yarmouth mentioned he was going to speak for a while on behalf of the western farmers. One of the first statements he made on their behalf was that we should not hold the wheat but that we should dispose of it at whatever price could be obtained. His next statement was that we were destroying cooperative effort. He said that Mr. McFarland was becoming a dictator in the west, that he had taken over the work of cooperative societies and that because of his activities cooperation was dying. I am sure the western farmers will be delighted indeed to have the hon. member from St. James street express their views in this chamber.

However, I have before me some expressions from heads of cooperative institutions in western Canada, and in this connection I quote the observations of Mr. H. W. Wood, Chairman of the Alberta wheat pool:

I think the conference and so on have been a step in the right direction.

He was referring to the conferences from which the Ottawa agreements arose.

No one can tell the value of the acts or what might have resulted if all had been allowed to drift.

Then, I would like hon. members opposite to listen to this:

The government's stand when wheat was tobogganing toward the forty-cent a bushel mark almost two years ago was courageous, necessary and had vindicated itself.

Mr. Wood is anything but a politician. He never has been an exponent of Conservative principles nor has he been a partisan. Let us see what is said by the head of the Saskatchewan pool:

"If the government goes out of the market, many farmers will go out of business" declared Mr. Brouillette. Referring to Prime Minister R. B. Bennett's statement that federal stabilization operations had meant $25,000,000 to grain growers, the pool president thought the figure mentioned was very conservative.

I do not think that those gentlemen will thank the hon. member for Shelburne-Yarmouth for attempting to express their views. The hon. member has said the government is destroying cooperative effort in western Canada. May I quote the magnificent effort made by the hon. member to promote cooperative effort in that particular part of Canada. Hon. members will recall that at the last session the Minister of Agriculture (Mr. Weir) introduced the Natural Products Marketing Act. I believe it is agreed by all people in western Canada that there never was a better conceived or a more far reaching piece of legislation placed before parliament. Never has there been any legislation so calculated to promote, assist and develop cooperative effort as was the marketing legislation introduced by the Minister of Agriculture. But what did the hon. member for Shelburne-Yarmouth say about it? He delivered a most important address from his side of the chamber just before the vote was taken, in which he made the following observations:

I say to you, Mr. Speaker, that these three features, the autocratic and compulsory feature of the marketing act itself, the tariff feature which does not belong to the bill, and the price spread feature without proper definitions, are all inimical to the welfare not only of the producers but of the people of Canada generally. And when I look at the act and realize that the Prime Minister has completely failed to justify these vital and all-important features, which have been pointed out over and over again in this debate, I am reminded that whom the gods would destroy they first make mad. I say to my right hon. friend in all seriousness that if he passes this act and attempts to enforce it in the dominion he will find that his destruction will be certain and sure.

That was the magnificent attempt made by the hon. member for Shelburne-Yarmouth to promote cooperation in western Canada and to back up cooperative effort. "Whom the gods would destroy they first make mad"—I wonder if the hon. member was referring to the gods of St. James street? I think perhaps he was. Let us see what the people of western Canada think about this terrible marketing act. I quote from the Western Producer, the paper that has the largest circulation among the producers and cooperatives of western Canada, and the organ of the cooperative societies in western Canada. In its issue of December 27, 1934, it says:

There are some people who oppose the Natural Products Marketing Act for the reason (a good and sufficient one in their eyes) that it was enacted by the federal government. They find it difficult to imagine anything good coming from the federal administration and even if it may look attractive on the surface, they feel sure there must be a catch in it somewhere.

We do not propose to argue with opponents of this kind because in such cases, reason is rarely of much effect.

That is the view taken by the cooperative organizations of western Canada with regard to the Natural Products Marketing Act. Now where does the hon. member for Shelburne-Yarmouth get his inspiration? All through his speech he was quoting from the Financial Post, and again I thought I recognized the voice of St. James street. But surely the Financial Post does not speak for the cooperative organizations of western Canada, nor does it speak for the grain growers who have been helped by the holding up of the price of their grain.

Another very notable thing in the speech of the hon. member for Shelburne-Yarmouth was that attempt that we have noticed in all the speeches of hon. gentlemen opposite this session to condemn in the one breath and praise in the next the reform measures which the government has brought down. It simply means that hon. gentlemen opposite are seeking to evade responsibility outside the house for the criticisms which they level here at the legislation brought down by the government. In criticizing the work of Mr. John I. McFarland in supporting the wheat market the hon. member for Shelburne-Yarmouth was very careful to leave a screen behind which

he could hide if he was charged with condemning the operations of Mr. McFarland; for at page 2116 of Hansard he said:

There has never been a word of criticism upon that score—

That is, about assisting the western farmer:

—because everybody recognizes the importance of the western farmer as a producer, as a consumer and also as a citizen. What is the criticism? It is first from the point of view of the western farmer that the government instead of marketing the grain has virtually become his competitor.

In several places in the course of his address the hon. member was very careful to ring in that old, old statement that he was not finding any fault with Mr. McFarland or with the system. He just charged Mr. McFarland with trying to bring glory upon himself and upon this government through his operations, and the hon. gentleman intimated that Mr. McFarland was prepared to risk the credit of this country and the failure of his venture simply in order to bring glory on himself and on the government which my hon. friend says Mr. McFarland serves. Well, Mr. Speaker, if the western Liberals are prepared to go before the people of western Canada and fight the next election on the issue of the operations of Mr. John I. McFarland, or on the issue of the Natural Products Marketing Act brought in by the Minister of Agriculture we gladly accept that challenge here and now; but I venture to say that they are not prepared to stake their political fortunes on either one of those issues or on both of them.

Mr. J. H. STITT (Selkirk): Mr. Speaker, as I rise in my place this evening to make what perhaps will be my last address in the House of Commons I am full of conflicting emotions and thoughts. In all the welter of thought that was indulged in this afternoon about the great war I remembered, sir, that I was a humble private in the ranks, and since I have been in this parliament I have also been one of the humble privates sitting on the back benches supporting the present government led by the Right Hon. R. B. Bennett.

The thought that comes to my mind first of all is to thank my constituents for the great honour which they did me in electing me as their representative for the historic riding of Selkirk. It has been a great honour, Mr. Speaker, to serve that riding, and it has been a great honour to stand in the ranks of the Conservative party behind our Prime Minister. I have been heralded in the press during previous sessions as one of the radicals of the Conservative party. I am glad to-night that my party is the party of reform, and I am pleased to announce to my constituents and this country to-night that I am proud to be a Conservative. I remember, Mr. Speaker, that it was a Liberal-Conservative party that presided at the birth of confederation under Sir John A. Macdonald. I remember also that it was under a great leader of this party, Sir Robert Borden, that this country took its place among the nations of the world in the day of Armageddon when Canada became a nation in fact as well as in name. I would remind my constituents and the country this evening that in the midst of the greatest depression in the history of this dominion, in the midst of trials and difficulties the like of which this country has never known this great party to which I say again I am proud to belong is, under the leadership of Sir Richard Bedford Bennett, the party of reform.

Some hon. MEMBERS: Sir?

Mr. STITT (Selkirk): I thank hon. members for that laugh. If any man ever deserved the title of "Sir," if ever a knighthood might justly be conferred upon a Canadian for the services he has rendered, no one deserves it better than Richard Bedford Bennett.

Under his leadership Canada has struck its tents in the valley of depression and is now marching forward on the highway of reform. Under his able leadership, assisted by his able associates, such as the Minister of Justice (Mr. Guthrie) and the Minister of Finance (Mr. Rhodes), whose budget we are now debating, this country will yet reach a time and place when poverty will not work its awful havoc upon the Canadian people. Although perhaps it has been in the minds of many people in this country that it may have been hard for the hon. member for Selkirk to serve the Conservative party, I want to repeat that it is easy for him now because the Conservative party is the party of reform and progressive reconstruction.

I should like to refer to the speech of the hon. member for Shelburne-Yarmouth (Mr. Ralston) in which he said that this was a policy of make believe and pretence. I admire the financial critic of the opposition, but as one soldier to another let me say to him that I think that statement was unworthy of a great soldier and a great Canadian. When one considers the difficulties which this country has been facing since 1930, when one realizes the efforts which this government has made to overcome the forces of depression which were world wide, I do not think anyone will agree with the hon. member when he says that our efforts at reform are make believe and pretence.

What is the position at the present time of the Liberal party? The Liberal party has now become the Tory party. I made this statement when I went home last year to my constituency. I said that the leader of the opposition (Mr. Mackenzie King) and the leader of the government (Mr. Bennett) had changed shoes; they had reversed their roles. We find the Liberal party now upholding the constitution while the Conservative party is leading the way to reform. Once again the Conservative party is the party of the people, as it always has been, in spite of the criticism and camouflage of our Liberal opponents.

Let us look at these questions of unemployment and relief. To-day the Prime Minister is lying ill in the Chateau Laurier. Hon. gentlemen opposite talk about the 1,250,000 Canadians who are on relief but I ask them: Who looked after those Canadians during the days of depression? Who warmed them against the winter's cold, who clothed them against the intemperate climate, who fed them in the face of starvation?

Mr. VALLANCE: Canada.

Mr. STITT (Selkirk): The Conservative party under the leadership of Richard Bedford Bennett. I wonder if the time will ever come when this nation will render to the Prime Minister his due? I wonder if he will yet receive his just acclaim of praise instead of the dividends of abuse? I wonder if the credit of this country had been ruined what would have happened to the ten per cent of our population who have no employment or income?

What is the position to-day of the Liberal party? They laugh at the Conservative party when we try to improve our position in the markets of the world. They laugh at us when in fact we have improved our export trade by means of the Ottawa agreements. They ridicule our efforts at reform. I should like to quote to the house the words of the leader of the Liberal party in England, Sir Herbert Samuel. The condition which we as a nation are facing to-day is world wide. This condition was not born in Canada, it is the aftermath of the great war. It is unfair, it is untrue, it is not right for any Canadian public men to say that this situation is the result of Conservative policies. Who lost the markets of the world for Canada, and when were they lost? I ask hon. gentlemen opposite: Will the people of Canada trust you to find markets in adversity when you lost them in the days of prosperity?

Mr. CAMPBELL: Bring on the election.

Mr. STITT (Selkirk): Bring on the election; let us have power, not ideals or service. That is all hon. gentlemen opposite think about. I ask the hon. member for Frontenac-Addington (Mr. Campbell): Who cares whether you are elected to this House of Commons? Who cares whether I am elected? Who cares whether any hon. member is elected? This country wants service, not contentious politics. This country does not want camouflage from the party which is supposed to be the party of reform.

What has happened to the Liberal party? We all know the position of that party. We all know that the markets of the world were closed to Canada during the regime of that party. We all know of Mr. Crerar, the gentleman who has been peddling his services all over Manitoba in search of nomination. What was his policy? He said that all the country needed was a crop of 500,000,000 bushels of wheat. Those are the economies of the Liberal party. What was the explanation given by the former Minister of Trade and Commerce (Mr. Malcolm) as to what ought to be done in connection with the marketing of wheat? "Never mind the wheat market; the wheat will look after itself." That was his theory.

Mr. VALLANCE: It will if you leave it alone.

Mr. STITT (Selkirk): That seems to be the policy of the hon. member for South Battleford (Mr. Vallance). I would not be surprised if he has not received considerable unearned wealth through the efforts of this government. I wonder if he is willing to stand up to-night and tell his constituents how much money went into his pockets because of the five cent bonus on wheat.

Mr. VALLANCE: The hon. member is not blaming the government for the grasshoppers, is he?

Mr. STITT (Selkirk): No, but the hon. member would if he could. That is about the only thing hon. members opposite have not tried to get away with.

Mr. VALLANCE: You have still that to your credit.

Mr. STITT (Selkirk): When the Minister of Trade and Commerce stood in his place and asked the financial critic of the opposition the condition of world trade, what did he say? He said the answer was not ready. He knew the answer but he did not give it.

Mr. RALSTON: If my hon. friend will permit, I said no such thing.

Mr. STITT (Selkirk): You gave no answer.

Mr. RALSTON: I am raising a point of order. Will my hon. friend permit me to correct that statement? I did not say the answer was not ready. I made no such statement, and I know my hon. friend is a good enough sport and debater to retract that statement.

Mr. STITT (Selkirk): You did not give any answer at all.

Mr. RALSTON: That is not what you said.

Mr. STITT (Selkirk): I am glad you have clarified the matter. You did not make any answer at all.

Mr. RALSTON: Will my hon. friend permit a question now?

Mr. STITT (Selkirk): No.

Mr. RALSTON: How does he expect me to clarify it?

Mr. STITT (Selkirk): Go ahead; ask me any question.

Mr. RALSTON: The Minister of Trade and Commerce intimated that he did not want an interruption at that time. I was not supposed to make a speech in the middle of his.

Mr. STITT (Selkirk): That answer is very much like the one you gave the Minister of Railways and Canals (Mr. Manion).

Mr. RALSTON: The hon. member should address the chair.

Mr. STITT (Selkirk): Yes, I will. Mr. Speaker, all my remarks are made through you. There is a pleading in law called confession and avoidance. My hon. friend has made no confession and he has avoided the answer. He has admitted to me that he made no answer.

I should like to quote from the Contemporary Review of March, 1935. This is what the leader of the Liberal party in England says about world conditions at the present time:

> The present generation takes no great satisfaction in the world as it finds it.

The Liberals of Canada should ponder this statement. The article continues:

> Gone is the complacency of the nineteenth century—the sense of stability, the solid faith in ordered projects. The great war shook like an earthquake the whole structure of our mental and material life. In the countries engaged in it ten millions of men were killed; many times that number wounded, blinded, gassed, infected with disease; twenty-six thousand million pounds were spent, blown into nothingness. Never were Shakespeare's lines more fully justified:
>
> Man, proud man .. like an angry ape,
> Plays such fantastic tricks before high heaven,
> As make the angels weep.
>
> There followed an intense effort to build defences against another such catastrophe. But now the nations are beginning again the race of armaments, each against each; and that has ever proved the precursor of war. Already the countries of the world are spending at the rate of £2,500,000 a day upon their armaments; the figure is increasing steadily. In central Europe, in the far east, there is a widespread feeling of insecurity.
>
> Aftermath of the great war came the great depression—the commerce of the world halved in value:—

That is the statement I want the opposition to listen to and to remember. It is a statement which I would underline for the information of the people of this country. It is the answer to my honourable and learned friend who, had he not been so learned in the law and so acute in the pleas of confession and avoidance, would have realized the truth of it.

> —thirty million workers unemployed; vast numbers of people robbed of their life's savings by catastrophic monetary depreciation; foodstuffs burned or thrown into the sea in some places, people half starving in others; a drought, a plague of grasshoppers, the only relief to the agricultural markets; America and Asia glutted with raw materials, German industries stopped for the lack of them.
>
> In some countries which had been foremost in the ranks of civilization, absolutism usurps power.

"The commerce of the world halved in value"—that is the answer which the learned critic confessed that he did not make, because he made no answer. Looking at the problem of unemployment relief, I say, what a great work the Prime Minister and his government have done when we remember that 1,250,000 Canadians have been clothed, fed and sheltered during this depression. As I have said before, it is time that the government and the Prime Minister received something besides dividends of abuse. If you want to know what the magnitude of the problem is, let me relate a conversation I had with the Prime Minister three years ago, sitting beside him in this house, when there was agitation in the country about cutting off relief. I was worried about the situation in my own constituency, as many members were in regard to the constituency they represent, and I asked him whether what was reported was true. He put his hand on my shoulder and said, "James Stitt, we are going to feed the people." Has it been a little thing to feed, clothe and shelter 1,250,000

people during the world's greatest depression? I wonder whether you realize the magnitude of that task. Put these people in procession, coming up the hill in front of the Chateau Laurier, and how long do you think it would take them to pass by in files of four at the rate of three miles an hour, one yard apart? It would take them exactly twenty-seven days, walking eight hours a day, to pass by where the sleeper lies at the present time, the sleeper who led this house, and who gave the last measure of his devotion that these people might be looked after in this day of trial and poverty. The country does not realize what the problems have been. I stood up in my place and pleaded for public works and for the expenditure of money; we have all pleaded for it and wanted it. What did the Prime Minister say to me? He said, "If I destroy the credit of this country I shall not be able to borrow the money to feed the people." I think it is just about time the Canadian people began to ponder this question, to realize what a great service has been done during the last five years. You say that relief is not enough. I agree with you; relief is not enough. There is degradation and demoralization to every citizen who has to go on relief. But I ask every Canadian, every church member, every man in this country who professes Christianity, whether his charity has been equal to the effort that has been made by this government under its Christian Prime Minister. Let that truth sink into the minds and hearts of the Canadian people.

Mr. POULIOT: Is the hon. gentleman asking that question of me, in common with the rest of the members of this house?

Mr. STITT (Selkirk): I am willing to ask the hon. gentleman—

Mr. POULIOT: If you ask me that question I will put one to you also.

Mr. ROWE: Answer his first.

Mr. POULIOT: I will answer his question, surely.

Mr. DEPUTY SPEAKER: Order.

Mr. POULIOT: The hon. gentleman asked a question of all hon. members of this house, and I want to ask him this question. Did the hon. member, for whom I have much personal regard, read or listen to the speech delivered in Montreal by his leader, in which he said—

Mr. DEPUTY SPEAKER: Order.

Mr. POULIOT: Just a minute.

Mr. DEPUTY SPEAKER: The hon. member may ask a question, but he may not interrupt the hon. member who has the floor.

Mr. POULIOT: I will ask the hon. gentleman this question—

Mr. STITT (Selkirk): I think the hon. gentleman, according to calculations, has cost this country about $28,000 already this present session, and I do not think he has done very much to assist in the problems which we have been trying to solve.

Mr. POULIOT: Think of what the government has saved by not lending more money to Newfoundland, and the saving with regard to delay in nominations for the Senate.

Mr. DEPUTY SPEAKER: Order.

Mr. STITT (Selkirk): This government has not been afraid of big business, and it has been absolutely fearless of political consequences. The dominating motive of the Prime Minister and the government has been to serve the people of Canada, to do what was right, to prevent disaster; and there has been little or no cooperation from the official opposition. Look at the price spreads commission. Was the Conservative government afraid to investigate big business? No; it was not afraid to investigate big business. Look at the reduction we made in interest rates. This party is called the henchman of the big interests. Why, we have saved in interest charges, in the refloating of loans maturing in Canada, nearly $15,000,000 a year. Look at the action of the government in relation to the banks. What a story can be told of bravery, of service, of absolute fearlessness of vested interests. But we receive no praise for this work. The other night the hon. member for Souris (Mr. Willis) rose in his place and spoke about the transfer of the gold from the banks to the Bank of Canada. We have taken from the banks of Canada $39,000,000 worth of gold on the basis of $20.67 an ounce. We stand to make on that transaction somewhere in the neighbourhood of $25,000,000. Does that look like a government that is afraid of big business, that is afraid of the banks? Look at the agitation that was raised in parliament! The hon. member for St. James is smiling; I believe he rather opposed that.

An hon. MEMBER: He is not here.

Mr. STITT (Selkirk): I mean the chief whip of the opposition.

Mr. CASGRAIN: I am not smiling. I am listening to the hon. member and I am astounded.

Mr. STITT (Selkirk): I want to tell the country a conversation I had with the Prime Minister. I wondered whether the provisions were constitutional, whether we were going to get into a lawsuit or not. I wondered whether there would be delay and whether every embarrassment possible would be placed in the way of the government's obtaining that gold from the banks. The Prime Minister said to me: "It is just about time that this country found out who was running the country—the banks or the government." If the Liberal party or the Labour party or the Cooperative Commonwealth Federation had passed legislation taking the gold from the banks and earmarking the profit on that gold for the Dominion of Canada, that fact would have been blazoned all over the country; it would have been looked upon as a most remarkable performance in the way of reform. One of the amazing points about the present situation is that the government has been almost afraid to advertise its virtues, almost reluctant to go out and tell the country just what these measures have meant in dollars and cents for the Canadian people.

Look at the work we have done for labour, and let the members of the Trades and Labour Congress pay attention to the remarks of their leader, Mr. Tom Moore, when he said: "This budget is a poor man's budget." We heard criticism the other day about the income tax rates. I wonder how many people in Canada know that if to-day a man has an income of $1,000,000, we take from him $527,000 in taxation. I wonder whether they realize that our rate of taxation on the higher incomes is greater than it is in Great Britain. Have we been given any praise for that?

Mr. CASGRAIN: There is no more money now.

Mr. STITT (Selkirk): No more money! Well, we have found over $200,000,000 for unemployment relief; we have found money to guarantee the wheat pool operations, yes, and we have found money to guarantee the loans of the Canadian Pacific Railway. That matter is very easily explained to the people of Canada. I stated that this government was not afraid of public criticism; that it was not afraid of vested interests. Moreover it was not afraid to come to the assistance of a great corporation when it was necessary for the welfare of Canada that it should do so. What was the situation in connection with the $60,000,000 guarantee for the Canadian Pacific Railway? Its bonds were falling due in the United States, and under the laws of that country it was impossible for that company to refloat loans in order to pay back its obligations. What would have happened had the government not come to the assistance of the Canadian Pacific Railway and enabled it to borrow money from the banks?—for let it be remembered that the Canadian Pacific has passed its dividends and has been losing money. The Canadian Pacific would have gone into the hands of a receiver; it would have gone into the possession of foreign investors. What would have happened to labour on the Canadian Pacific; what would have happened to the rates of pay; what would have happened to the business fabric of this country, had the government not had the courage, in spite of the political criticism that could be raised against such an action, to come to the aid of that great corporation, one that means almost the very life of the country?

Taxation of higher incomes! This budget has been described as a brave budget. The Minister of Finance must be complimented upon the manner of its presentation and the comprehensive review he has made of Canadian affairs. We have the policy of reform and the eight hour day, minimum wage and unemployment insurance measures. I told my constituents when I was elected that I would support an unemployment insurance bill. Whoever supposed that a Conservative government would enact a measure of unemployment insurance? If the Liberal party had enacted such a measure, the press of the country would have hailed it as a great work of reform, a great law of social justice. Surely it is about time that the people of Canada realize the services which this government has rendered to the nation.

Before the eleven o'clock adjournment, I ought to thank the Conservative party for the liberty they have given me, the freedom I have had within the party. I wonder how many members of the Liberal opposition have ever had the freedom that the member for Selkirk has had. Last year from my place I asked for reduction of interest rates, for the issuance of $100,000,000 of new money, for $50,000,000 worth of public works. What is the answer? We have had the policy of reform; we have had reduction of interest rates; we have had the issuance of new money to the extent of $50,000,000, and we have had an unemployment relief works policy aggregating $40,000,000.

On motion of Mr. Stitt (Selkirk) the debate was adjourned.

At eleven o'clock the house adjourned without question put, pursuant to standing order.

Tuesday, April 2, 1935.

The house met at three o'clock.

CANADIAN NATIONAL RAILWAYS

PRESENTATION OF REPORTS AND STATEMENTS OF AUDITORS ON RAILWAY AND STEAMSHIP OPERATIONS

Hon. R. J. MANION (Minister of Railways and Canals): Mr. Speaker, I desire to lay on the table of the house the annual report of the Canadian National Railways system; the annual reports of the Canadian Government Merchant Marine and the Canadian National Steamships; report on the accounts of the Canadian National Railways system, in English and French, by the auditors, George A. Touche and Company; report on the Canadian Government Merchant Marine, and on the Canadian National Steamships, subsidiary companies, in English and French, by George A. Touche and Company; also a report on the capital structure of the Canadian National Railways system by George A. Touche and Company.

May I add that the annual reports of the Canadian National Railways and of the steamships are in printed form, and are being placed in the post office boxes of all hon. members and senators. The reports supplied by Touche and Company are typewritten documents which are being circulated to the members of the select standing committee on railways and shipping owned and operated by the government. All of the foregoing reports will be referred to that committee for consideration.

PACIFIC COAST SHIPPING

EMPLOYMENT OF WHITE SEAMEN IN PREFERENCE TO ORIENTALS

Hon. R. J. MANION (Minister of Railways and Canals): Mr. Speaker, on January 28, of this year there was a discussion of a resolution offered by the hon. member for New Westminster (Mr. Reid) regarding the employment of white seamen on Pacific coast steamers. After a somewhat lengthy discussion in which hon. members from all quarters of the house took part there was unanimous agreement by the house and by the government that the resolution of the hon. member, with all its implications, should be referred to the committee on industrial relations. However, either through an omission on the part of an officer of the house or because of the wording of my motion the result was that the resolution was deleted and only the preamble presented to the committee.

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Therefore with the unanimous consent of the house, which was given on the former occasion and which I have no doubt will now be given, I move:

That the amendment adopted by the house on January 28 last to the motion of Mr. Reid in respect to employment of white Canadian citizens on ships, as follows:

"That all the words after 'that' in the last paragraph be deleted and the following substituted therefor:

'the resolution be referred to the standing committee on industrial and international relations'" be rescinded, and the following substituted therefor:

"the question of employment of greater numbers of white Canadian citizens on all ships and vessels of Canadian ownership and registry, the owners of which receive grants of money from the public treasury of Canada, be referred to the standing committee on industrial and international relations."

Motion agreed to.

THE KING'S SILVER JUBILEE

STATEMENT FROM LONDON CONVEYING WISH OF HIS MAJESTY AS TO CELEBRATION IN UNITED KINGDOM AND DOMINIONS

On the orders of the day:

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): Mr. Speaker, in view of the general interest in the question as to what bodies might send representatives to the King's jubilee ceremonies in the United Kingdom I thought it best to send a cable in order to obtain the necessary information. I have received the following reply:

"It is the King's wish that the celebration of the twenty-fifth anniversary of His Majesty's accession to the throne should be on a local basis, and that His Majesty's subjects should, wherever practicable, have the opportunity of observing the occasion near their homes. While any visitors from overseas, who may have occasion to be present in London at the time, would naturally have an opportunity of sharing with the people of the United Kingdom in celebrations here, invitations to participate in those celebrations as guests of His Majesty's government in the United Kingdom have, so far as the dominions are concerned, been issued only to Prime Ministers and, in view of the character of the celebrations as described above, it is not proposed to invite further official guests."

CONFERENCE IN LONDON

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): While my right hon. friend the leader of the government is touching on the question of the jubilee ceremonies in London, may I ask him if I am right in understanding that there is not to be anything in the nature of an imperial

conference while these celebrations take place? I have heard that at most it was expected that there might be something in the nature of informal conversations between representatives of the dominions who might gather together in London, but I assume that nothing will be said or done there which in any way will bind this parliament or country by those who may be representing it.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): I think the right hon. gentleman is correct in suggesting that there will be only informal conversations but I will make certain of that and give the house the information.

OYSTER FISHERY

On the orders of the day:

Hon. GROTE STIRLING (Acting Minister of Fisheries): Mr. Speaker, yesterday the hon. member for Prince (Mr. MacLean) asked a question about oyster fishing to which I promised an answer.

Oyster fishing in East, West and North rivers which flow into Charlottetown harbour, Hillsboro bay, Prince Edward Island, has not been closed.

The regulations that will govern oyster fishing therein are at the moment receiving particular consideration because of the questions of health involved.

AIDS TO NAVIGATION

COLLECTION OF DUES TO APPLY TOWARDS MAINTENANCE BY BRITISH GOVERNMENT OF SHIPPING SAFEGUARDS

On the orders of the day:

Hon. FERNAND RINFRET (St. James): I would like to ask the Minister of Marine if he intends to proceed with the resolution appearing under No. 22 on to-day's order paper, with respect to the collection of shipping dues by the Canadian government.

Hon. ALFRED DURANLEAU (Minister of Marine): I did not know, Mr. Speaker, that my hon. friend was interested in the matter, but I may tell him that I am getting some further information in view of the discussion that took place when the resolution was before the house. The matter is under consideration.

Mr. RINFRET: Thank you.

THE BUDGET

DEBATE ON THE ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed from Monday April 1, consideration of the motion of Hon. E. N. Rhodes (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means, and the proposed amendment of Mr. Ralston, and the amendment to the amendment of Mr. Coote.

[Mr. Mackenzie King.]

Mr. J. H. STITT (Selkirk): Mr. Speaker, last evening in the course of my remarks in this debate I paid some attention to the criticisms which were made by the official critic of the opposition, the hon. member for Shelburne-Yarmouth (Mr. Ralston). I desire now to direct the attention of the house and of all western grain growers particularly to a few words which that hon. gentleman spoke, and which will be found at page 2116 of Hansard. Among other things he said:

> We find that in the fall of 1934 the prices of Canadian wheat in the British market—were something like 22 cents above Argentina and something like 14 cents above Australia. What has been the result? In the first place the dominion as it wanted to do, shared with the western wheat producer in the responsibility for marketing the 1930 crop, and nobody finds any fault with that action; both parties joined in approval of it.

A little further on he says:

> What is the criticism? What do I mean by that? I mean that the government through Mr. John I. McFarland, who is its agent, becomes in effect the potential holder of 200,000,000 or 225,000,000 or 250,000,000 bushels of wheat that should be off the market in order to enable the western producer to dispose of his 1935 crop.

Here we have it in the words of the official critic of the opposition that the price of our wheat in the British market is 22 cents above the Argentina price and something like 14 cents above the Australian price. Was that to the advantage of the western producer? Was that something done in the interests of the grain grower? What is the hon. gentleman's solution? He says that this wheat ought to be off the market. In other words, his policy would have been to dispose of the wheat. What then would have happened to the western producer?

I think, Mr. Speaker, that this party and its supporters ought to proclaim throughout western Canada every such word of criticism against the activities of this government in upholding the price of wheat for the producer.

Mr. VALLANCE: What did Australia do with her wheat?

Some hon. MEMBERS: Sit down.

Mr. VALLANCE: I won't sit down. What did Australia do with her wheat?

Mr. STITT (Selkirk): I believe that the western grain producer is not so much interested in what Australia did with her wheat as he is in what we are doing with ours.

Mr. LAPOINTE: We are not doing much.

Mr. STITT (Selkirk): We are not adopting a laissez-faire policy anyway. I notice that the hon. member for Shelburne-Yarmouth quotes as his authority for what ought to be done the Financial Post. I wonder how much the editor of the Financial Post or the barons of St. James street are interested in the welfare of the western producer.

Mr. BEAUBIEN: Ask your government.

Mr. STITT (Selkirk): There has been a great deal of discussion to the effect that the Conservative party is the servant of the vested interests.

Some hon. MEMBERS: Hear, hear.

Mr. STITT (Selkirk): "Hear, hear," my opponents say. I answer "there, there." Who are they in this house who first raised their voices against the policy of this government of helping the farmers on the land? Who are they in this house who have come to the aid of the bank? Who are they in this house who have tried to prevent us from taking the gold from the banks and ear-marking for the benefit of Canada the profit on that gold? Were we the henchmen of the vested interests when we undertook and carried through that legislation? I say no.

Mr. MACKENZIE (Vancouver): Have we got the profit on that gold yet?

Mr. STITT (Selkirk): We have the gold, every bit of it, and we can get the profit any time. I have paid some attention to the hon. member for Shelburne-Yarmouth. Although I disagree with him, I want to pay my respects to him as a member of this house, as a lawyer, and as a soldier with a gallant military record overseas, but Mr. Speaker, if his policy were carried into effect I believe that bankruptcy would be suffered by every grain producer in western Canada. The last thing that the farmers of western Canada want us to adopt is a policy of laissez-faire, to leave them at the mercy of the manipulators of the market.

There is a resolution on the order paper for the establishment of a grain board. I stated last evening that this government was not afraid of big business, and the legislation which the government has brought down proves it. Were we the champions of the big interests when we reduced the interest rates by our conversion loans, when we brought down the average rate of interest from over five per cent to under three and a half per cent, saving the taxpayers of this country over $15,000,000 per year in interest? Were we the servants of the big interests when we enacted the Farmers' Creditors Arrangement Act, when we gave to the debt-ridden farmers of western Canada some opportunity to get rid of the heavy and burdensome debts which were driving them into economic servitude? Were we the henchmen of the big interests when we enacted minimum wage legislation, when we enacted the eight hour day and when we enacted the Unemployment Insurance Act?

I do not know that I have time to give the complete record of this government but I should like to outline some of the legislation which has been passed for the benefit of the people. First, there was unemployment relief; second, there was the reduction of interest rates; there was the Farmers' Creditors Arrangement Act, the Canadian Farm Loan Act, the wheat bonus, the legislation in connection with the marketing of wheat, unemployment relief works, loans to the provinces and amendments to the Currency Act whereby $50,000,000 of new money was produced. Millions of dollars have been voted for public works; $20,000,000 the first session and $40,000,000 last year. Legislation was passed to bring into being the eight hour day and there is yet to be considered the minimum wage legislation. This government has passed the Unemployment Insurance Act and the Bank of Canada Act. It has increased imperial preference and has conducted an investigation in connection with price spreads. The marketing act was passed along with other reform legislation. This government brought into being the Ottawa agreements and is enacting pensions for the blind.

I think it is time that every hon. member who is supporting this administration should stand behind the government and the Prime Minister (Mr. Bennett). The Prime Minister has waited upon this country; during the present dilemma which has faced the country he has given the complete measure of his devotion. He has waited upon us and we should wait upon him. We are glad to know that he is recovering and will soon be back to lead the forces of reconstruction.

I believe my time is about up. With the permission of the house I should like to say just a few more words. I want to thank every hon. member for the manner in which he has listened to what I have had to say. I feel

that I have friends on both sides of the house and among the independent group. I have considered it a great privilege to be here and I hope I have learned something and I trust I have contributed a little to the debate of this house. In conclusion I should like to pay a tribute to the Prime Minister although it is almost impossible to find the language with which to express my admiration for him. He is a man of giant intellect, he has been most unselfish in giving his health and strength to the welfare of his country. I believe in the words of Disraeli, that he has been a Conservative to preserve all that is good and a radical to remove all that was bad. I believe that I express the wish of every Canadian who loves his country when I say that I hope he will soon be restored to health and be again able to lead his party. In February, 1932, when I seconded the address in reply to the speech from the throne, I quoted some lines which I should like to repeat. At this time they refer most appropriately to our beloved leader:

> I vow to thee, my country—all earthly things above—
> Entire and whole and perfect, the service of my love,
> The love that asks no question; the love that stands the test;
> That lays upon the altar the dearest and the best:

Mr. WILLIAM IRVINE (Wetaskiwin): Mr. Speaker, I have listened with interest to the eloquent tribute paid to the Prime Minister (Mr. Bennett) by the previous speaker, (Mr. Stitt, Selkirk), and I am glad to concur in what he has said. I listened to the long list of government achievements which he gave and while I have no desire to take issue with him as to the achievements of the government, having supported most of the things he mentioned. I would point out that notwithstanding these achievements our problem is still with us. Our people are still unemployed, our people are still hungry in the midst of a great abundance of food. Our debts both private and public are growing at an alarming rate and the depression is just about where it was. I am not laying all the blame for this upon the government, I merely wish to show that notwithstanding the achievements of this government the main economic problem of Canada is still unsolved. I think we must concur in the declaration contained in the amendment moved by the opposition, that the policy of the government has been inadequate. I cannot see any reason why the government itself could not concur in that. It must be aware that its policies have proved inadequate, as have the policies of all other governments. So far as I know this government has never tried to prove that its policies were adequate; it has simply contended that its policies were as good as could be put forward in view of all the circumstances. There may be some room for argument in that but I do not think there is any room for argument when we claim that the policies of the government have been inadequate to meet the great economic problem which confronts Canada and all other countries. The budget may be regarded as just as good a budget as it is probably possible to bring forward as long as we adhere to capitalism and are tied to the orthodox system of financing.

Turning now to the proposal, or rather lack of proposals on the part of the opposition in the amendment they moved to the budget. I question very much whether the opposition is in position to do any better than the government. My doubt is based upon the fact that the opposition endorses the continuation of the capitalistic system. In season and out of season they have protested against any interference with laissez faire and they are the champions of the present-day orthodox monetary policy. As long as they hold these things, I suggest to this house that they are utterly incapable of bringing about improvements under the present system; and if you notice the amendment which was moved by the opposition I think you will find that it speaks eloquently in support of my contention. The amendment reminds me very much of an incident which took place in the dry belt some years ago. A farmer living in the dry belt in Alberta was visited by his mother in law in 1930 and it happened that all the time she was there it rained; it rained almost throughout her visit. In 1932 she returned and again it rained nearly all the time she was there. Therefore this farmer associated the visit of his mother in law with the rain, so that in 1934, when the dry spell came on, he wired to Ontario for his mother in law and she, anxious to be of assistance, returned to the west in all haste. She stayed twice as long as she did before and it did not rain, and it has not rained yet. The Liberal party is very much like that. They have associated what they call prosperity with their terms in office in previous years, and so they superstitiously conclude that all that is necessary is to return them to power and prosperity will come again. But I suggest that there is just as little hope of that as there was of the farmer getting rain by the return of his mother in law. Here is the Liberal amendment:

> That all the words after the word "that" be struck out and the following substituted therefor:

This house regrets that the proposals submitted by the Minister of Finance on March 22 are entirely inadequate to meet the serious and acute situation prevailing in Canada—

We all agree with that. I do not see how there can be any serious objection to that statement. But what is to be done about it? And here is where I think in all seriousness that we have a right to expect a little more from the party which expects to be in power in a very few months in this country. I continue from the amendment:

—and afford an additional reason why appeal to the people should not be longer delayed.

Apparently the sole remedy which the Liberal party has for these conditions to which it has alluded in the amendment, and for which it deplores the inadequacy of the government policy, is to have an election. Now there is surely no great remedy in an election. Does the Liberal party expect to find on the hustings a policy which will be adequate to meet these economic conditions? Is it not more in keeping with the practice in this country that the party that expects to be honoured by the vote of the nation shall go to that nation with a policy for which it seeks endorsement? Now what is the policy which the party that expects to be the government in a very short time intends to submit to the people of Canada? If it is merely a matter of having an election, we do not need the Liberal party for that because that has already been settled by constitutional practice. The election will come along in due course, without the Liberal party. But surely everyone will agree that it is not so much the election we want as what the election will settle; and if the election is going to put the Liberal party in the position of the present government, without a policy, and adhering as it does to every error which has marked the failure of the present administration, then what can we expect by a change of government?

I submit that it is scarcely honest to have the people of Canada assume that the inadequacy of the present budget will be made good merely by a change of government, when the party which expects to take office holds tenaciously to the same errors as the party relinquishing office holds. The subamendment on the other hand agrees with the Liberals that the budget is inadequate, and I think the government could very well afford to agree with that view without impairing any of its high claims for its activities and achievements. But we in this corner have proposed a remedy. Our subamendment reads:

That the amendment be amended by striking out all the words after the word "Canada" and adding thereto the following:

"and would appear to be based upon the assumption that poverty and debt are inevitable conditions within the country;

and whereas the real and potential wealth of the nation, based upon our natural resources and our capacity to produce, is such as to make possible an abundant provision for all the requirements of our people;

Therefore, this house is of the opinion that the government should take immediate action to insure the fullest and most equitable distribution possible of our socially-created wealth and that, as a first step in this direction, the measures which may be necessary to meet the pressing needs of the farmers and the unemployed should be financed by the social credit of Canada, thus avoiding a further increase in the debt burden of the country."

I submit at the outset that that remedy is one which will very soon have to be accepted not only by this government but by all governments in the world. I make that prediction because in my opinion there is only one alternative to that, and that is to witness the complete collapse of civilization itself. We make this suggestion then to the government, and we solicit the support also of the opposition for a policy applied to the only problem in Canada, the problem of distributing the abundance which our natural resources, our skilled mechanics and our technical equipment make possible to our people. This proposal assumes that there is enough and to spare of every commodity essential to life, to supply every person indefinitely; but that there is too little money in the hands of the consumers to permit the proper distribution of these essential commodities to be made. Now if that assumption is not true, how do we explain the fact that there are thousands of idle people, who surely should be employed in producing more goods if there is a scarcity of anything that we need? Let me refer for a moment to the words of the hon. member for East Kootenay (Mr. Stevens) spoken a very short time ago:

Canada is behind in its normal construction between $600,000,000 and $900,000,000. From the ten years from 1925 to 1934 its average annual construction bill was $326,000,000, but in 1933 projects were valued at only $90,000,000.

Continuing, he said:

Why in the name of heaven do we not go to work? I will tell you why—because the credit of the country is in the control of a very small number of men and is not actually available except at costs that are too high or on conditions that are too onerous.

Further, he says:

During the past fifteen years there has been an increased concentration of funds in the hands of such corporations as life insurance companies and trust and loan companies. From 1924 to 1933 the amount invested in these concerns has increased from $2,200,000,000 to $5,130,000,000, a percentage increase of 133.

The inadequacy of purchasing power and the concentration of credit in the hands of large corporations account for the failure of this and other governments to meet the needs of the people of the world at the present time. How otherwise would you explain, except on the basis of abundance, the destruction of such quantities of goods as were destroyed by the nations of the world in 1934, not to speak of the tremendous further amounts of goods which might have been added to production had our resources of man-power, machinery, plant equipment and raw material been used to capacity? I noticed that even the Ottawa Journal gave a brief, though inadequate, summary of some of the goods destroyed in 1934. It says:

> In 1934 nations destroyed millions of dollars worth of goods and foodstuffs while millions of people lacked clothing and food. Holland buried 15,000,000 flower bulbs and destroyed 2,000,000 sows and 4,000,000 little pigs; Denmark incinerated 25,000 cattle. In New Zealand 5,000 lambs were driven into the sea. In the United States every third row of cotton was "ploughed in." Brazil destroyed 26,000,000 bags of coffee—

And so the story goes. That is not by any means a complete list, but it does indicate the insanity of a world that does not know what to do with too much, that has no policy applicable to too much but only knows how to act when it has too little and thus seeks to restrict production and destroy goods in order to bring about an artificial condition of scarcity so that statesmen may know their way about. To my mind that is a fair statement of the policies of nearly all governments to-day.

So much, then, for the assumption that there is an abundance of supplies. As to the other assumption contained in our amendment, that there is too little money, I think the fact that there has been a shortage of money for purchasing power has been very adequately and emphatically demonstrated. I direct the attention of this house once more to the analyses and the mathematical demonstration of Major Hugh Douglas, of London, who I think has shown more completely and more thoroughly than any other economist of his time the scarcity of money and the causes of that scarcity. But he is by no means the only one who has demonstrated that fact. Foster and Catching have demonstrated it in the United States; Kitson, Keynes, Right Hon. Reginald McKenna and numerous others have proved beyond the shadow of a doubt to every intelligent student of the question that there is not sufficient money in circulation at a given time to buy the goods on the shelves at the prices at which those goods are marked, and that while that is so those goods cannot be distributed.

Time does not permit a recapitulation of the data to prove that point mathematically. I turn from the scientific statement of the case to the fact that must be staring every man in the face, a fact which I think the people of Canada know very well; it is that they have not the money in their pockets with which to supply their needs, while the goods they need are sitting on the shelves of the warehouses of the country and their stomachs are empty and their backs are bare. There is no argument or scientific demonstration that is more effective than the actual, practical fact that the people see the goods, that they are ready to produce more but have not the money with which to distribute them.

Then if we want a real, practical proof, we need only turn to the relief policies of the government. What do they amount to? They amount to this, that the government have undertaken to borrow money which otherwise would not be put into circulation and to apply that money to nonproductive pursuits, so that in their continuation of certain public policies and public services—which may be all to the good—they have been able to distribute money as wages to the people engaged in those projects. By doing such work the government have placed no goods upon the market to offset the money that has been distributed, and to that extent they have slightly increased purchasing power. But apart from the inadequacy of that policy so far as sufficient purchasing power is concerned, what is the inevitable result? The inevitable result of that policy is the utter crash of the system, for every penny that is so circulated among the unemployed on relief projects has been borrowed, and the borrowing of that money naturally increases our debts. Our debts now are terrific; they cannot be paid as they stand at the moment, and as we increase them and as they grow larger through interest charges compounded, we hasten towards the inevitable abyss. Let me just direct the attention of the house to the growth of debt during three centuries. In the seventeenth century the debt of the world increased 47 per cent. In the eighteenth century the debt increased 466 per cent; in the nineteenth century it increased 12,000 per cent and I venture to state that in the twentieth century it will increase 12,000 times 12,000 per cent. So, Mr. Speaker, the speed of our debt creation increases by every year

of time, just as the velocity of an object falling through the air increases with every inch it travels towards the ground.

Let me turn now, sir, to a brief summary of the economic situation in relation to purchasing power. Goods manufactured and sold at a profit cannot be bought back with the wages paid those who have produced them. This is chiefly so because much of the money that was employed in the purchase of raw materials and in the payment of wages for production was borrowed money, or credits created by the banks, and as soon as the goods then produced were sold those debts were repaid. Being repaid they were cancelled and being cancelled they were not available to buy the goods which they were employed in producing. So there must remain on the shelves, unpurchasable through lack of money, goods which cannot be moved unless some auxiliary supply of money be found somewhere.

To make the situation worse machinery is becoming more and more automatic as the industrial process goes on, and the use of solar power, steam, oil, gas, electricity has not only made it possible to produce sufficient goods with a very much reduced number of workers, but has vastly increased production, in some instances far beyond the capacity of the people to consume even if they had the money to buy the goods, which they have not. Moreover the tendency is towards further mechanical progress, which will still further reduce the number of workers required and further increase output. The fact that those who are employed do not receive and never have received sufficient income under the profit system to buy even the necessities of life, much less the entire output, together with the additional fact that machinery is displacing thousands from every industry, thus depriving a large percentage of the population of any income at all, has resulted in vast amounts of goods going to waste unused while millions are in want. This condition of more goods than money intensifies competition among producers, and compels them further to reduce wages and further to supplant workers with every conceivable labour-saving device, which courses of action still further intensify the problem.

Being unable to find markets at home through lack of purchasing power as I have described, the producers of all nations enter into keener competition for whatever foreign market there may be; thus the economic basis of war. Those who look upon the situation in Europe to-day, as well as in the east, must come to the conclusion that there is grave danger that the events of 1914 may very soon be repeated. This situation has become so acute that something must be done, and if governments will not heed and take intelligent and constitutional action it is altogether likely that the masses of people, driven by desperation, sooner or later will take unconstitutional and unintelligent action. It is in order to prevent such unreasoned and dangerous action that from time to time during the last fourteen years I have urged with all the sincerity that I possess, upon whichever party was in power, that they take some definite action on this question. Both parties continue to drift, they hope that we may drift into something better. I noticed the Minister of Finance (Mr. Rhodes) in his admirable budget speech indicated that we were drifting out of the depression in the same way we drifted into it, I think he suggested by natural causes. I cannot express my—I was going to say contempt for that view, I hope the minister will realize that the term has no application for him personally, but I have nothing but contempt for the view that we can drift into prosperity. I am as firmly convinced as that I am in this house at this moment that if we are to attain prosperity we must plan our way, that our plans must be based upon economic truths and facts of the present time, and that such plans must be worked out by the application of established scientific principles.

The attitude of bankers and industrialists and bondholders is one of economic fascism. That is to say they want to restrict production to the limits of an unsound money theory, the theory or doctrine which bases money on one commodity only, famed for its scarcity, rather than basing the medium of exchange on commodities generally. Thus they cheat the people of all the advantages of industrial progress, maintain the multitudes in a state of semi-starvation in order that they may continue to hold to an unjustifiable superstition about the relation of money to gold. They further carry their fascistic notions to the restriction of the use of machinery as far as possible so as to employ as many people as possible and to distribute wages as widely as possible for doing unnecessary work. Now that viewpoint is so absurd as to be unworthy of comment. A section of the community, some of the working class who have suffered more under this insane system than any other class, are becoming impatient and demand complete and immediate revolution. They are not prepared to wait for constitutional action, they want to smash all opposition by ruthless force. Now I do not hold with that, I would fight that with all the powers I have, but we have to face the fact that there is a considerable and growing number of Canadians who take that position. Another group, the

group to which I belong, hold another view with respect to this question of purchasing power and the Canadian economic problem. We are a small group in this house, composed of representatives of organized farmers and labourers and other groups. We regard the problem chiefly as one of making available to the consumer enough purchasing power to equal the total prices of all commodities that are for sale, and we regard provision of the required amount of purchasing power as the most advisable next step, since it will bring about the immediate distribution of the goods required to satisfy the wants of the community and thus prevent revolution and give us time to think out succeeding steps in a fundamental economic and social reconstruction. We say that the major trouble in Canada to-day is faulty distribution, and money in the pockets of the consumer is the surest way to bring about distribution of goods. We claim that there is no difficulty in obtaining ample supplies of all the necessities of life, if people only had the money to buy them. We regard social credit as a source capable of providing money and at the same time an adequate method of distributing it wherever it is required.

What then is this social credit to which I refer? The real credit of the nation we regard as consisting of its power to produce and deliver goods as, when and where required. Secondly, the extent to which credit may be used for purchasing power equals the sum of the price of the goods available for distribution, and there can be no such thing as inflation so long as money can be redeemed in goods at the prevailing prices. Thirdly we believe that a metallic or gold basis should be abandoned completely, and that the basis of all money should be goods and services, and not any single commodity, metallic or otherwise. To provide all the goods required for consumption is the object of production, in the view of those who advocate a proper use of social credit, and to distribute goods, not create employment, is the problem of to-day. Proper distribution of goods through an adequate supply of money may be said to be the chief aim of this doctrine. We regard it as impossible under the profit system to distribute sufficient money in the form of wages to buy back the goods produced, therefore we must augment the purchasing power of the people by some other method. What we propose is that purchasing power shall be distributed as dividends freely to the consumer, so that it will operate as purchasing power and not as capital investment, as is customary under the present monetary system. To-day all credits appear first as investment, loans made to production, and being paid back thereby cancel the means available for the purchase of goods.

"Where is the national dividend to come from" is the question so often asked those who advocate this method of increasing the purchasing power of the nation. May I point out that we regard the great increases of production during the capitalistic period as accruing chiefly from three sources, first association in production, secondly through mechanical inventions and thirdly through the use of solar power. All of these are social. We have increased production tremendously by association. I must not take time to demonstrate that fact, but I think all hon. members will agree that by specialization and by organization of industry, and even by international trade we have vastly increased the capacity of the world to produce.

Then, second, all will agree that machines do not belong to any individual. Machines have histories, some of them centuries old. Contributions have been made to their development by a great many people of all nations. Those people have died and left their contributions as a heritage to mankind. They are the social heritage. Machine equipment, all inventions, all discoveries, all knowledge whatsoever are the heritage of people now living and since all these things contribute tremendously to our capacity for production they form a true basis of social credit from which every individual has a right to draw.

Finally, solar power belongs to no individual; it is nature's gift to all living creatures. All these combined account for increased production over the hand craftsmanship of pre-industrial periods. Together they form the source from which we have the moral, the economic and if you like, the divine right to draw purchasing power in the interests of the people of Canada as a whole. That is the source of the proposed national dividend.

"How are we to prevent inflation" is the next question. I shall have time to say only a word on this point. The social credit proposal prevents inflation which would naturally follow the issuance of such quantities of money under the present system. We propose to prevent inflation by the application of a mathematical formula known as the just price. The main point to be observed in this connection is that the ratio between production and consumption is held at a given level. The principle is that prices will

not rise—cannot rise—if there are always goods on the market sufficient to redeem the money available for purchasing power.

There was money for war—any amount of it. There will be any amount of money for the next war. From where did we get it? If we quote the Macmillan report we will discover how it was issued.

> It is not unnatural to think of the deposits of a bank as being created by the public, through the deposit of cash representing either savings or amounts which are not for the time being required to meet expenditures. But the bulk of the deposits arise out of the action of the banks themselves, for by granting loans, allowing money to be drawn on an overdraft or purchasing securities a bank creates a credit in its books, which is the equivalent of a deposit.

That is the principle by which money was provided for the war, and the real basis of the provision was the power of the people of Canada to produce and to deliver two billion dollars worth of goods—which they did. But Sir Thomas White describes it more aptly when he states:

> During the war Canada surprised not only herself but the world when her people subscribed for war bonds twice as much money as there was in Canada, and then we had ample money left with which to carry on a growing business.

Now, sir, I wish Canada to subscribe now twice as much money as there is in Canada to keep the people of this country from starvation, and to save us from having to destroy the goods which we have produced in order to keep somebody else making more of those goods, in order that we may destroy them again. I demand of this parliament and government money for life; I demand money for peace; I demand money for construction. We had money for war, money for death and money for destruction. In the name of God why can't we have money for life, for construction and for peace? We can have it just as soon as the opposition says so, just as soon as the government says so, just as soon as this house comes to its senses this question can be solved. But so long as we play the political game which both the budget and the opposition amendment indicate we are not going to get very far.

I look to a crusade against hunger, against scarcity, and I ask every man in this house —and the lady member, too—who believes in this monetary reform policy, who regards it as a first step towards new economics made necessary and possible by abundance, to rise in their seats and to vote for the subamendment which proposes the only intelligent and constructive suggestion offered thus far in the present session towards meeting the needs of the Canadian people.

One sentence more. I would suggest that the government take note of what Alberta has done. The government of that province has invited the only man who knows how to handle this subject to deal with it. But the province of Alberta has no control over monetary policy; this government has. Give the Alberta government your right hand of support; give Alberta the power to deal with the question, if you will not deal with it yourselves, and let us all join together in working out a monetary policy. Let us not quibble over technical details, but get together on a great crusade for feeding the people of Canada out of the abundance which is ours.

Some hon. MEMBERS: Question.

Mr. E. E. PERLEY (Qu'Appelle): Mr. Speaker, I do not care to follow in detail the remarks of the hon. member (Mr. Irvine) who has preceded me, because I believe time would not permit. I always listen to him with great interest, because upon all occasions he seems sincere and has the faculty of warming up to his subject. I can agree with the preliminary part of his speech in which he dealt with the amendment offered by the official opposition, and with his statement that the amendment is of a negative character. I do not believe however the people of Canada are prepared to go to the limits he has advocated, namely, that of accepting complete socialism. I would judge that if hon. members in his section of the house are sincere they would support the government in the measures of reform which have been offered.

Miss MACPHAIL: We have done that.

Mr. PERLEY (Qu'Appelle): Furthermore they should do so because there is no possibility either at the present time or in the near future of the party composed of hon. members in the extreme left hand corner of the chamber having power.

Mr. GARLAND (Bow River): Don't be so sure.

Mr. PERLEY (Qu'Appelle): Therefore I say they should endeavour to get half a loaf which is better than no bread.

There have been some interesting speeches in the debate. Hon. members on this side of the chamber have expressed satisfaction with and confidence in the Minister of Finance (Mr. Rhodes) and in the government of which he is a member. The hon. member for Shelburne-Yarmouth (Mr. Ralston) did not offer very much support, but of course we did not expect it. He criticized the budget—and meekly so, in my opinion.

I should like briefly to indicate my support and approval of the budget. May I first congratulate the Minister of Finance upon the very comprehensive and detailed statement he presented concerning dominion affairs. His presentation was one in which we may find satisfaction and reason for confidence in the future, and for the belief that we will soon have a return to normalcy both in financial and trade matters, and as regards prices, employment, production and distribution. If these factors can be brought back to normalcy we will have a return of that condition described as prosperity.

I listened with interest to the speech of the official critic of the opposition. I have used the term "interest" because if the hon. member had any constructive suggestion or any better policy to offer, that was his opportunity to do so. But what did he do? He offered nothing other than that concerning which the hon. member for Wetaskiwin has just spoken, namely negative suggestions. There is nothing in the political arena easier than to sit on opposition benches and criticize the government. The budget speech always offers that opportunity. The observations of the hon. member for Shelburne-Yarmouth were negative and offered nothing by way of leadership or policy in this, the most critical period of Canada's economic readjustment.

I claim there was no excuse on this occasion for the lack of constructive suggestions demonstrated in the observations of the hon. member for Shelburne-Yarmouth. He made it clear that to-day the Liberal party is in a state of political barrenness and that it has nothing to offer. At times his criticisms were unfair and inconsistent, he blew hot and cold but of course in these respects they were running true to form. He made it clear that as of yore we may expect dissertations on the iniquities of the tariff. While listening to his quotations from the speeches made by the present Prime Minister in 1930 I was wondering what would have happened to the opposition if they had not been able to use those quotations in their speeches.

Time will not permit me to go into great detail respecting many of the important measures which have passed the house during the last four years, nor will I have time to review in detail the record of the government. I should like briefly however to discuss a few matters which particularly affect agriculture. My interest in such matters is greater because I represent one of the most outstanding and most important agricultural constituencies in Canada. What did this government find upon taking office on August 7, 1930. One of our greatest problems was brought about by the fact that we had lost our markets. I would not be so unfair as to charge any government with being wholly responsible for the loss of markets because I know there was a world condition which made marketing of primary products a difficult procedure. But if hon. members opposite are charging this government with the responsibility I say we must meet the argument with a counter charge. In the last year they were in office, particularly when the Hon. Charles Dunning was Minister of Finance, we can quote their own language to convict them.

But, Mr. Speaker, when this government took office it immediately gave attention to the problems that were of an emergency character and had to be dealt with, the railway problem, relief, unemployment, and the financial problem, and when the government had set about putting their house in order by dealing with these problems, they then undertook to find markets for our primary products. What steps did they take? They endeavoured to make agreements or trade treaties which were real treaties and meant something. As a result we have the United Kingdom agreement. If I had time to compare the results of some of the agreements and treaties that have been made by this government with those that were made by the former government, it would be seen that the comparison was very favourable to this government. Take the New Zealand treaty, for example, a treaty under which during the last three months it was in force 4,480,000 pounds of New Zealand butter was permitted to enter Canada, or half a pound for every man, woman and child in this country. That treaty was so unjust to Canadian trade that the late government gave notice of its cancellation as their last act before leaving office.

I would also call the attention of the house, as has often been done before, to the fact that during the last five years of Liberal rule in this dominion United States tariffs mounted against the importation of Canadian products into that country by leaps and bounds until in May, 1930, we had the Hawley-Smoot tariff which completely closed the door to Canadian primary products. Those were the words used by the right hon. leader of the opposition himself (Mr. Mackenzie King) when he was speaking on this subject in May, 1930. I am now going to give a list of some commodities and the rates of duty imposed upon them by the United States government when they entered that country from Canada. I have a list here of fifty articles but

I shall quote only seven or eight and give the rate of duty prevailing as at the end of May in each of the following years, 1921, 1926 and 1930:

United States Rates of Duty on Imports from Canada at end of May in each of the following years

Commodities—	1921	1926	1930
Cattle	Free	Less than 1,050 lbs. 1½c.; 1,050 and over 2c.	2½ and 3c.
Sheep	Free	$2 per head	$3
Wheat	Free	30c. per bush.	42c.
Bacon	Free	2c. per lb.	3¼c.
Beef	Free	3c. per lb.	6c.
Poultry	2c.	6c. per lb.	10c.
Butter	2½c.	12c. per lb.	14c.
Cream	Free	20c. per gal.	56c.
Eggs	Free	8c. per doz.	10c.

That will show you how the United States tariff mounted against our primary products in the last few years previous to 1930, with not a word of protest from the government of the day. It is interesting also to note just what that meant to Canada, and in that connection I am going to quote the figures of our exports of these products to the United States in 1929:

Canadian Exports to the United States in 1929

Milk	Gallons 3,753,000
Milk powder	Pounds 1,000,000
Cream	Gallons 2,833,000
Cheese	Pounds 7,411,900
Bacon and pork, fresh or salted	Pounds 7,213,700
Butter	Pounds 231,400
Cattle	Head 217,436

It will readily be appreciated what it must have meant to the domestic market when this great quantity of milk and dairy products and these herds of cattle were turned back into the domestic market, particularly when I draw to the attention of the house that ninety-five per cent of our primary products are consumed in the domestic market and only the surplus of five per cent practically is exported, but when that surplus of five per cent is turned back into the domestic market it regulates the price of the other ninety-five per cent. When the United States put up their duties as I have shown, that surplus was turned back into the domestic market and the prices of these commodities fell drastically. But as I said before, this government in 1932 had negotiated the United Kingdom agreement to take care of part of that surplus, and in each of the years 1932 and 1933 we exported under the United Kingdom agreement in the neighbourhood of 50,000 head of cattle to Great Britain, thanks to the efforts of the Minister of Agriculture in getting space for them on the boats. In 1929 there was not a single animal shipped alive overseas, and none of the boats were fitted to take them over alive. We also shipped seventy million pounds of bacon to the United Kingdom, one-quarter of our quota, and this last item alone meant a sum of $26,000,000 in the pockets of the hog raisers of Canada. That statement was given before the price spreads committee by the president of the Canada Packers. We also shipped to the United Kingdom market eggs, fruit, fish, lumber and many other primary products. I have not time to give a list of them or the quantities. I will only say that these exports assisted our primary producers very materially.

The Finance minister has given figures to show the increase in our trade with the United Kingdom under the United Kingdom agreement. This shows an increase of 40 per cent for 1934 as compared with 1933. It is also interesting to note that our trade with all countries in 1934 showed an increase of 43 per cent as compared with 1933. What would have happened if we had not had these agreements? When you are looking for an answer I wish you would consider the statement made by Hon. Charles Dunning when delivering his budget speech in May, 1930. He stated that in the last fiscal year Canada's trade had depreciated by $244,000,000, that our trade with Great Britain in wheat alone had depreciated by $148,000,000. He mentioned many other items and closed by saying that the only market left for Canada's primary products was Great Britain. It is to the credit of this government that this market has been secured. While we have had a steady increase in our trade with the United Kingdom and other countries it is

interesting to note that 43 per cent of the gross imports from the United Kingdom come in under the free list while 40 per cent of the gross imports from other countries during the last six months come in under the free list. There has been a larger percentage of imports coming in under the free list during the regime of this government than came in under any Liberal government that has ever been in power.

When this government took office it was faced with a difficult railway problem. I do not propose to deal with this matter as I think the Minister of Railways and Canals (Mr. Manion) completely nullified any criticism which has come from the opposition. I do not think it is necessary for a layman, so to speak, or a back-bencher to make any further reference to this matter. I was particularly pleased, however, to hear the minister make a clear-cut statement with respect to government policy and no amalgamation thus offsetting the criticism or political propaganda which has been spread throughout the country, to the effect that this government is in favour of amalgamation.

During the last two years this government has passed some very important legislation as far as agriculture is concerned. I should like to mention the marketing act. This legislation was a reform and advanced measure based largely on the British marketing act and I think it will prove of great benefit once it is understood and has had an opportunity to function. It will certainly prove of benefit to the producer in protecting him against the class of exploitation which was brought to light by the evidence given before the price spreads committee. We know who opposed this legislation when it was before the house. I am not going to review the opposition, but we know who organized the opposition against this legislation during recent months in western Canada. We know it was politically organized and is the work of the packers and other selfish interests in Canada. I do not think there is any question as to what the farmers of western Canada will do when this legislation is fully understood. Reference might be made to the opposition in the house which was led by the right hon. leader of the opposition (Mr. Mackenzie King). There has never been any legislation so misunderstood or so misrepresented as this but once the farmers have an opportunity of knowing what it means, they will give credit where it belongs.

This government passed the Farmers' Creditors Arrangement Act as well as amendments to the farm loan act. These two pieces of legislation are complementary to one another. The one gives the debtor farmer an opportunity of settling his debts or arriving at a compromise with his creditors. When this is done he is able to take advantage of the provisions of the farm loan act. This year another amendment was passed increasing the capital for loaning purposes from $40,000,000 to $90,000,000. The scope of this act has been extended to all the provinces and the interest rates have been lowered to five per cent or less. I venture to say that the farmers of western Canada who have been paying eight, nine and ten per cent on their loans will receive the announcement of lower interest very favourably. There are many farmers in western Canada who have clear titles to their land. In the province of Saskatchewan from 43 to 45 per cent of the land is held under clear titles. Many of these farmers are unable to obtain loans from the loan companies or banks. A farmer may have a half or three-quarter section of land; he may have splendid buildings but he cannot get a loan. These men will be served by this legislation and I know they will appreciate it.

I come now to the question of wheat support. I was greatly surprised to hear the hon. member for Shelburne-Yarmouth advocate the dumping on the market of wheat held by the government and the withdrawal of government support. I do not think it is necessary at this stage to review the events which led up to the government appearing in this picture. World markets had been gradually closed against Canadian wheat and those dealing in wheat in western Canada found themselves in difficulty. I think the house will agree that this state of affairs was not of our making; the government of the day had nothing to do with that condition. This government was asked to come into the picture and it did. This request was made by many different interests in western Canada such as boards of trade, municipal organizations, grain exchange officials, bankers, wheat pools and the farmers generally. The government had the backing of all interests in western Canada. I am a member of the banking and commerce committee and last year Mr. John I. McFarland appeared before that committee to make a statement on the government operations. He had nothing to conceal and was prepared to answer every question but we finally came to the question as to the amount of grain and the amount of money involved in these operations. Some hon. members contended that the answering of that question would serve no useful purpose and there was some discussion in the committee. Before we took a vote as to whether Mr. McFarland should answer that

question, two questions were put to him. First, he was asked if it would serve any useful purpose to divulge that information. He answered that he did not think it would. Then he was asked if it might be possible that answering the question would do harm and he answered that it was quite possible that it would. A vote was then taken and the majority was about three to one that he should not answer; only nine voted in favour of his answering. The only hon. member from western Canada who voted that that information should be given was the hon. member for Willow Bunch (Mr. Donnelly). He is always to be found in such company, not fighting in the interests of the farmer but opposing the government on anything which might be in the interests of western Canada.

Before the budget was brought down we had the would-be Minister of Agriculture, the hon. member for South Battleford (Mr. Vallance) demanding that Mr. McFarland be brought before this house to give the information which it was decided last year by the committee should not be given. If it was right last year to withhold that information it is doubly so this year, for these reasons. First, this year the price is much higher than it was at this time last year; there would be chaos in the event of the government withdrawing support; we might have a very drastic break in the market, the price falling to as low a level as it has ever reached. Then there is the question of our getting back to a normal carry-over. Judging by the reports on world conditions and with respect to the Argentine and the Russian market, there is every evidence that Canada's wheat will be in demand, and it is highly probable that the whole situation will right itself, so that the government will be able to get out. It will have served a very useful purpose, when we consider what it has meant to the farmers of the west, according to the statement made by Mr. McFarland last year before the committee, when he said that the minimum saving was at least $100,000,000 and that it was more likely to be $150,000,000. Then on top of that we must take into account this year's operations, so that it will have meant about $200,000,000 in the pockets of the farmers of western Canada. Consider the effect of that on purchasing power in the west.

It seems to me that the official critic of the opposition and the hon. member for South Battleford have revealed their hand. They have not had the interests of the farmers of western Canada at heart but some other interests, either the members of the grain exchange or St. James Street, Montreal. I believe the environment has had its effect. They do not quote a single authority in the west to the effect that the government has not been doing the right thing; rather, they have quoted from the Financial Post and a leading banker to prove their case, though they have made it appear as if they had stood for the farmer. There is no doubt as to what would have happened last fall had Mr. McFarland withdrawn the support which he was giving the market. It was evident that the grain exchange could no longer stand the pressure imposed upon it, not by local interests but by outside interests—such concerns as Dreyfus, Bungie, the Continental Grain Company and others who had membership on the Winnipeg exchange as well as on the Minneapolis, Chicago, New York and continental markets. They make a raid on the market by selling or buying options. It is not legitimate hedging. Sometimes it is used for spreading purposes. If power had not been given to Mr. McFarland last fall to control the situation, chaos would have been the result.

There is on the order paper, standing in the name of the Prime Minister, a resolution which may mean the setting up of a grain board, and I will reserve until the proper time anything I have to say on that particular question. When that time comes, however, I may have a few suggestions to offer which I think will be beneficial to the marketing of Canada's wheat and will tend to stabilize prices. And when that time comes I have no doubt that we shall have the hon. member for Melville (Mr. Motherwell) with us as we had on one occasion last year; for I remember one election he ran in the west on the slogan that carried him to victory, "Vote for Motherwell and the wheat board." We shall therefore have him with us again.

Mr. MOTHERWELL: Bunkum.

Mr. PERLEY (Qu'Appelle): I will show you presently whether it is bunkum so far as the western farmer is concerned. I readily understand how the hon. member for Shelburne-Yarmouth falls for this idea of dumping wheat, and his endeavour to ride wheat, so to speak. His associates from western Canada have been talking to him and telling him about how the Gardiner government last summer rode into power on the slogan, "Dollar wheat." I have two little pamphlets which were circulated all through Saskatchewan last June in hundreds of thousands. They were put into cream cans in every express office and every freight shed, and they were thrown into automobiles on Saturday night. In my opinion this was the worst kind of

political skullduggery ever put over, but it had its effect. Let me quote from the pamphlets:

Dollar wheat will give you a job and enable you to own your own home.
Dollar wheat will pay for your light and water and give you a telephone.
Dollar wheat will pay your grocery bill and buy boots, shoes and clothing for the whole family.
Dollar wheat will provide a surplus for a "rainy day."
Vote Liberal.

There was no suggestion as to how they were going to get it or who would give it to them, or whether Mr. Gardiner had the power to give it. Here is another one addressed to the merchants:

Dollar wheat will run your store and pay your taxes.
Dollar wheat will bring you business and collect your accounts.
Dollar wheat will pay the wholesaler and give you a bank account.
Vote Liberal.

It had its effect, but I am sure that this sort of thing will not be put over again in western Canada. By the way, this is published, it states, by the Saskatchewan Liberal Association, headquarters, Regina, but there were many decent Liberals in that province who hung their heads in shame at it. We have decent Liberals up there, lots of them, and they were not a party to this; but it was put over in the last days of the election and, as I say, it had its effect, though they knew that Mr. Gardiner would not have any more to do with getting dollar wheat than the hon. member for Témiscouata (Mr. Pouliot).

There are other matters to which I should like to refer if I had time. I might mention the relief legislation. This government has been very generous in its treatment of the provinces, particularly the province of Saskatchewan, where we have received $17,000,000 by way of direct relief, $38,000,000 by way of loans, or in all $55,000,000 out of a total of $176,000,000 spent by this government throughout Canada—a very generous share. Moreover, the government has made possible the writing off of $10,000,000 of direct relief notes to the province. I regret however that the government out there is trying to make political capital of it, but when it is explained away the people will see that it is only a bubble, like the wheat business which I have discussed.

In all these measures we have been consistently opposed by the Liberal party in this house and recently, running true to form, they voted against the relief bill brought down by the Minister of Labour. New measures have been passed this session, and I regret that I have not time to discuss them because they are very important. The unemployment insurance measure was an important one, and here I would point out the inconsistency of the opposition; they opposed the bill in debate but they voted for it when it came to a vote. There were only three members who had the courage to stand up and vote against it. There was the hon. member for Labelle (Mr. Bourassa), who voted against it because he said it was giving too much for not working; there was the hon. member for Bow River (Mr. Garland), who voted against it, and who said that it was not giving enough for not working; and there was the hon. member for Témiscouata (Mr. Pouliot), who said he did not know what it was all about. These three musketeers were the only ones who had the courage to vote against it.

The economic council is another important measure. This council will have power to study and report upon such matters as the freight rate structure of Canada, and I trust that when they report it will mean a lowering of the domestic rate. At all times, since coming to this house, I have stood for a reduction of freight rates. In 1931 I took a definite stand. It was my resolution last year that resulted in a reduction of 11 cents per hundred in the domestic rate on low grade wheat and coarse grains going west to Vancouver. We have passed many reform measures and there are a few more which will follow the report of the price spreads commission. When we have that further legislation before us I venture to say that this government will have passed more reform and advanced legislation than has been passed by any government we have had since confederation.

There are many important features of the budget with which I should like to deal if I had time, but as my time is almost up I should like to refer only to the fact that there are many reductions in tariff items. Seventy-six changes have been made in the tariff, with forty-eight reductions, including many items on the free list from Great Britain. There are also some increased taxes, but those increases put the burden of taxation where it belongs. There is a favourable trade balance; an adverse balance of $120,000,000 has been converted into a favourable balance of $134,000,000. Business is increasing, and the public press of this dominion, including the Liberal press, has been making favourable comments on the budget, which I think augurs well for it.

There are two principal questions which will have to be decided by the people of this dominion in the next few months. The first

question is whom they want to sit in when the United Kingdom agreements come up for revision, renewal or repeal, as they will in 1937. The second question is whom they want to carry out these great reform measures that have been put, not in a little book but on the statute books of this country. I believe when the people come to decide those questions they will say that the party responsible for the agreements and the party responsible for these reform measures is the party to which they will entrust the task of putting them into operation rather than the party opposite, whose leader has said that he certainly does not consider himself bound by the terms of those agreements and who opposed the reform measures introduced last year and this year, though he has voted for the measures introduced so far this year.

What do the three parties to-day offer the young men and women who this year will vote for the first time? Will they be impressed with the record of the Liberal party, which has been termed the party of laissez-faire, or as I would say bluntly, the do-nothing party? I will go further than that; hon. gentlemen opposite did allow certain things to happen during their regime. Reviewing their record from 1921 to 1930 it will be seen that they allowed certain mergers to take place in this dominion, by which some 800 companies merged into about 130 or 140 companies. This meant that jobs were eliminated; accountants, clerks, salesmen and other employees were let out, while if these businesses had been carried on properly these positions would have been available to the young men and women graduating from our universities and business colleges. By means of these mergers the working men and working women were exploited. I always have been proud of the name Canada or Canadian, and I regret to see that name used in prefixing it to these mergers. We have Canada Dairies, which control the milk for the babies; we have Canada Bread and Canadian Packers, which control food for the adults. We have Canada Cement, Canada Paper, Canadian Industries and so on. I regret that the name of our country has ever been used by these companies which were merged only in order to exploit the primary producer and the labourer. When it was suggested in this house last year that there should be a price spreads committee set up to investigate some of these matters the leader of the opposition said that it was not necessary, that he knew all about it, that he knew exactly what they would find, and that we had the machinery already established to investigate these questions. The machinery to which he referred was the Combines Investigation Act, of his own creation, under which these mergers took place.

The Cooperative Commonwealth Federation have a definite policy, but that policy will lead us to complete socialism. Since my time is limited I am not going to dwell on that point, but the Conservative party have a program of reform which was initiated last year and which has been advanced a very great deal during this session. This program is being carried on in order to correct many of the injustices to which I have referred and in order to prevent the exploitation of agriculture, which I claim to be the chief industry of Canada and which must be placed on a sound basis, stabilized so to speak, in order to stop the exodus from the farms to the cities and towns. That movement should be in the other direction, and if agriculture could be made secure and attractive people would go from the cities to the farms.

In all the reforms we have initiated, Mr. Speaker, we have endeavoured to preserve individual effort and initiative. That is the true Conservative policy; we have been endeavouring to lop the moldering branch away and preserve the good. I claim that to-day our young men and women have just as much initiative, courage and ability as the young men and women of twenty or thirty years ago. They are looking forward, not backward; they want leadership, and at this time the Conservative party offers that leadership. When our young people review the policies of the present Prime Minister, as expressed by him when he first came into this house in 1911, again in 1928 when he warned the Canadian people, and again last year and this year, I say they will not hesitate long in making their choice. The Conservative party is the only party to lead the people of this dominion.

In conclusion, Mr. Speaker, may I say that never in the history of the country has destiny led a man into the path of duty more definitely than it has led the Right Hon. R. B. Bennett. He is equipped for the task; he has wealth beyond financial influence, together with a great brain, business experience and great courage. I trust that he may be restored to health and strength in order that he may carry on and take full advantage of his opportunities, and that he may lead this great reform party to victory in the coming election. And just in closing, Mr. Speaker, what does it matter to the right hon. Prime Minister or to any member on this side or the other side of this house if defeated when fighting the cause of the Canadian people?

Mr. JAMES ARTHURS (Parry Sound): Mr. Speaker, I am sure all hon. members of the house listened with great interest and satisfaction to the budget presented by the Minister of Finance (Mr. Rhodes). It was a clear-cut business statement, without political bias, made for the evident purpose of showing the people the true state of our finances at this time.

I am sure people of this country will be glad to learn that we have had a steady improvement in almost every line of business since the beginning of 1933. Our public finances have improved; there has been a steady improvement in both export and import trade; we have more men at work in our factories and there are fewer people on relief.

Our Liberal friends have been strangely dumb during this debate. They had of course their chief financial critic, and one or two others, the hon. member for Medicine Hat (Mr. Gershaw) and that usually very silent man so seldom heard in debate, the hon. member for Témiscouata (Mr. Pouliot). I presume these hon. members were set up by the Liberal party as the chief exponents of the prevalent opinion on that side. But in fact our Liberal friends were silent for a very different reason. For the last couple of years or more they have depended entirely not on any policy which they have enunciated but upon old man depression. They believed, and perhaps believe yet, that this depression and unrest, which did prevail in the past in Canada, was about to lead their party into power. Consequently they cannot speak enthusiastically about a budget which announces to the people of Canada better conditions and better times, for they know that every further step in improvement means fewer votes for the Liberal party in the coming election, every additional man employed means further loss of votes for that party, and every effort put forth by this government to make times better makes the prospects worse for that party under present conditions.

I have said that the depression is passing, that conditions are better. In support of that I wish to quote a few figures. These are taken from Business of September, 1934, and give a comparison showing Canada's progress towards prosperity. Compared with the low period our exports have increased 50·5 per cent; our exports to empire countries have increased 53·2 per cent; our imports generally have increased 36·8 per cent; and our imports from empire countries 53·2 per cent. The physical volume of business in Canada has increased 64 per cent. Here let me point out that in making comparisons our hon. friends opposite are always anxious to compare trade in recent years and at the present time with the peak prices of 1928 or 1929, the fact being that prices on the average are very much lower, so that the resulting picture is not a true one. Our manufacturing production has increased 75·6 per cent, iron and steel production 53 per cent, and textile production 141 per cent, being at the present time very much above the average of 1926 to 1929. The same is true of the production of electrical power and of our mineral production, which has increased 184·8 per cent, and is now very much above the average of 1926 to 1929. Employment has increased 62·6 per cent. I could give many more figures but do not think it necessary to take the time. I have in my hand a comparison made I think by the Canadian Bank of Commerce as to the real purchasing power of the farmers of Canada. It shows that the low period was in 1931 immediately after the change of government, and that since then it has steadily risen. I have the figures for 1931 to 1934. In 1931 it was 58·36 per cent of normal, in 1932 it rose to 62·77, in 1933 it was down slightly to 61·03, and in 1934 had increased to 67·51. That is the latest available.

There is no question that the principal problem in this country, as in every civilized land to-day, is that of unemployment, and perhaps that of relief. This situation is common to all civilized countries. In this country the depression commenced in the early part of 1929, trade was paralyzed by the great slump in stocks of the autumn of that year. Things went from bad to worse not only in this country but in almost every other. Naturally with the collapse in stocks the purchasing power of our people was greatly reduced. This resulted in unemployment and the closing of factories. Conditions were further aggravated by the fact that farming was in a very deplorable condition owing to the action not only of the United States, as instanced by a previous speaker, but of other countries, which all closed their markets to the agricultural products of Canada. For many years the United States had been our nearest and best market, and while hon. members opposite have always preached, as they do even yet, that we should buy where we sell and that unless we buy we cannot sell, our American friends were not of that opinion at that time. In spite of the fact that we were then and probably are yet their best customers, they proceeded to shut the door absolutely on our agricultural products.

The result was that the buying power of our farmers fell to almost nothing, and our factories were closed.

That was the situation which confronted this government when they came into power in 1930. There is no doubt that the Prime Minister found the situation much worse than he had anticipated. But he immediately took steps to do what he could to remedy the condition, and parliament was called in September of that year for the purpose of voting such moneys as were necessary and passing such legislation as was deemed advisable. It is true that when parliament was called in 1930, manufactured goods from almost every country of the world were being poured into Canada practically regardless of cost of production. Consequently our factories had to close. At that time we took steps, which I believe and have always believed were right, to protect this country against that condition. We raised tariffs, there is no doubt about it. I remember hon. gentlemen opposite getting up one by one and protesting that when we increased the duty on silk for instance by practically 100 per cent that increase would be passed on to the consumer. They said the same thing about textiles, upon which the duty was also materially increased. But what are the facts? Continuously since that time prices of silks and textiles have gone steadily down, and people are able to buy them at lower prices to-day than before the duty was changed. But it had another result. Millions of dollars were spent in this country for the building and enlargement of textile factories. In one town that I have in mind one company I think spent $2,000,000 on new buildings. Many of them are working twenty-four hours a day, and are doing a great deal to strengthen the Canadian situation. These mills not only provide work for our people but in doing so furnish a market for the farmers of the vicinity. Hon. members have stated that the greater part of our agricultural production outside of wheat is consumed in Canada. I may later have time to read a few figures in this connection. May I point out that this government took the proper action in 1930. I believe it is better to build a fence at the top of a precipice than to maintain an ambulance at the bottom. I believe, further, that if the Liberal government between the years 1921 and 1930 had taken the proper steps or made proper protests to the various countries concerned Canada would be in better circumstances to-day. It is better to have a lighthouse on the shore than to maintain life boats to save the mariners after the vessel has been wrecked.

During the last four or five years this government has been doing everything within its power to utilize the ambulance for the purpose of saving those wrecked by the disaster of 1929. They have built a fence at the top, too, to prevent a similar disaster occurring in the future. They have put up their lighthouses along the shore so that there may be no more wrecks. Meantime they have had to use their life boats to save those already suffering.

In the short time at my disposal I do not believe it is necessary to refer to the extent of the expenditures made by the government for relief but I should like to make one or two observations in connection therewith. In all the provinces relief is in the hands of the provinces or the municipalities. For many years however, and especially in centres where the people are not well acquainted with the facts, a whispering campaign has been in progress, and the assertion has been made that only the federal government is to blame. As a matter of fact in the province of Ontario, from which I come, the relief is in the hands of the municipal authorities, and grants are made according to their wishes or whims. I have in my hand an interesting statement produced at the meeting of the mayors held only a few days ago in this city. This statement is prepared by the department of social research of McGill university for the use of the organization committee of the mayors. Although I do not intend to read it in detail I should like to indicate the vast difference in methods obtaining in the different provinces. Whether this difference is brought about because of local circumstances, or whether some provinces are more generous than others in their treatment of the unemployed and those requiring relief I do not know. This statement indicates however that in the year 1934 the amount of money distributed in the maritime provinces cost each elector in each city $2.20. That is to say each inhabitant of a city was charged $2.20. Then we find that each person on relief in the maritimes received $17.25 in the year. Of course I am speaking only of the grant given by the cities, and would point out that the amount should be multiplied by three, so as to allow for provincial and dominion contributions. Therefore instead of $17.25 the figure should be about $51.75. The amount I have given is that paid by the city according to population and the number of people on relief.

In the city of Saint John relief cost $1 per head of population, while in Amherst the cost was more than $5. In other words, that was the assessment on each inhabitant of those

cities. The highest rate in the province of Quebec was found in the city of Lachine, where an amount of $10 was levied against each inhabitant. The net return for the province of Quebec indicates that each person in a city had to produce $4 in the year 1934 for relief expenditure, and the men on relief received an average of $26.25. In the province of Ontario the highest point was reached in the city of Brantford where, due to lack of operations in industries connected with agriculture, thousands of men were out of work. In that province the per capita levy varied to a great extent. In one town we find a charge of only 33 cents per head while in others the amounts ranged as high as $11 per head. The average receipt by each recipient amounted to $26.

In Manitoba each person on relief received $43.20 from the cities; in Saskatchewan $30.80 was received and in Alberta $40.80, or $10 more than the amount paid in Saskatchewan. In British Columbia something over $40 was paid, giving an average for ninety cities of Canada $40.80. That amount, multiplied by three would indicate that the average for all Canada would amount to about $120.

I submit these figures prove one fact, namely that we have not as many men on continuous relief as figures would indicate. I hold under my hand a statement made by the city planner of Ottawa who has made a study of the situation and who gave evidence before the housing committee to the effect that in the city of Ottawa the average contribution to a family of six, the average family in this city, was as follows: $40 per month for food and fuel, or $480 per year, of which two-thirds is paid by the government; $60 per year for clothing, paid entirely by the city; $156 per year for rent, two-thirds of which is paid by the various governments. That is an average for each family, provided of course that they are on continuous relief, of $696 per year, not including medical service or hospitalization. So we can clearly see from the statement given by Mr. Cauchon that we have not as many men on actual relief as is generally supposed.

While on this subject I would also like to point out that the poor we have always with us. In the best times this country has ever seen we always have a certain number of people in Canada, as in every other country, who need relief—those for instance who may be incapacitated from various causes, and those who are sick. We have these with us at all times, and it is computed by authorities in Great Britain that this class averages over five or five and a half per cent in the very best of times. If we take that same average for Canada, it would account for a great proportion of those who are on relief to-day. We have in addition those who are suffering through an act of providence in the driedout areas. We have no desire, I do not think anybody in Canada has any desire, to cut them off from relief; on the contrary we are most anxious that these men shall be enabled to carry on. But the fact remains that they are all counted in the number on relief when our friends opposite get up to show, as they claim, that this government has not taken proper means to bring about better times. They quote a figure varying from one to two and a half million, and in their figures all these various classes that I have mentioned are included. According to the best figures I have there are less than one million on relief at the present time, including all these classes I have mentioned. In other words there has been a reduction of over 600,000 in the number of those on relief within the last eighteen months, which is a very favourable showing.

To revert for a moment to a subject that was brought up by my hon. friend from Qu'Appelle (Mr. Perley) I hold under my hand a statement by the Live Stock Journal, and I would like to put on Hansard these figures of our trade in the live stock with the United States both before and after the Fordney-McCumber tariff came into force. In 1928 we exported to the United States 278,293 cattle; in 1929, 234,451; in 1930, for the fiscal year, all under Liberal rule, 232,271, and the last figure I have is for 1933, when we exported 5,886 head of cattle to the United States, largely stock for the improvement of cattle. I have given these figures to show the effect of the United States tariff in connection with what I have already stated.

In addition to the improvement that has been made in conditions in Canada through the action of this government in 1930, beginning in 1932 there has also been a very decided improvement owing to the treaties that were entered into between this country and the other dominions of the British empire, commonly known as the empire trade agreements. The result of those agreements has been very satisfactory to Canada. There has been an increase in our trade between that time and this of over $300,000,000. I have here some very interesting figures as to the general effect of these empire trade agreements, supplied by the British authorities. I have the figures here for 1932, 1933 and 1934, but I will take only 1932 and 1934. The trade of Canada with the British empire in 1932 was in round figures £60,000,000 and in 1934, £71,500,000. The trade of British India with

the empire was £66,980,000 in 1932, and £79,-310,000 in 1934. The trade of Australia with the British empire was £66,604,000 in 1932 and £77,000,000 in 1934; the trade of New Zealand with the British empire was £47,660,000 in 1932 and £52,000,000 in 1934; and so on all down the line.

The only exception to these trade increases was in our trade with the Irish Free State, which fell off. On the other hand, while Great Britain's trade in imports and exports with Brititsh empire countries has increased, her trade with foreign countries has not increased in the same proportion or anything like it. Britain's trade with the United States, for example, was $104,456,000 in 1932 and $105,200,-000 in 1934, a very small increase. Her trade with France fell off more than three million pounds sterling and her trade with Germany fell off in about the same degree, two and a half million pounds sterling. Her trade with Italy fell off two million pounds sterling; her trade with Belgium fell off one million pounds sterling; her trade with the Netherlands fell off by one million pounds sterling; her trade with Denmark fell off by four million pounds sterling, and so on right down the line, clearly proving that the empire agreements have been of great value not only to Canada, having given us an outlet especially for our agricultural products, but also to Great Britain and the empire itself as is shown by the official figures I have just given.

I come now, Mr. Speaker, to another subject. We have a committee of this house at the present time looking into the question of housing. I am very much interested in the work of that committee because I believe housing is the one way by which we can more cheaply than in any other way bring about an improvement in labour conditions. In the building trade or in housing projects practically ninety-five per cent of the cost represents labour. If we start from the bottom and work up we find that almost every trade is interested in housing—carpenters, bricklayers, lathers, plasterers, painters and labourers, and not only the labourer who works on the actual building but the labourer who works in the foundry, the man who works in the clay pits making the cement, the man who works in the brick yards, as well as those who are processing the materials afterwards All these trades are interested in housing. Take the lumber trade. You have the men in the woods, in the saw mill, in the various planing factories; the men making sash and doors, and others who are equally interested in the building trades. Our manufacturers of heating apparatus are, of course, equally interested in housing. I am sure that anybody who makes a study of the matter will come to the conclusion that there is no way by which money could be spread more evenly and fairly throughout the country than by encouragement given to the building trades.

We have had some experience with housing in Canada. In 1919 the federal government under Sir Robert Borden voted the sum of $20,000,000 to be used for housing schemes. This was divided among the provinces according to population, and on the whole the scheme was eminently successful. There were some odd places where, through poor judgment or something of the kind, as in Ottawa, there was some little delay in the success of the scheme, but the position at the present time is this: many years ago the province of Ontario had returned with interest every dollar lent by the dominion to the province under that scheme. I understand that most of these loans to the different provinces have been returned, having done exceedingly good work in giving employment at the time they were used. I trust that the housing committee now sitting will be able to bring in a favourable report, and I also trust and believe that, a favourable report being brought in, this government will take steps to implement it in order to increase employment in Canada.

I would like for a few minutes to list some of the legislative acts of this government. I have already spoken of the British Empire trade agreements. The first on my list is the revision of the Bank Act. This time it was a little different from the ordinary revision. The government took steps to see that there should be some reduction in the interest rates, and also that the government should have more control over ordinary banking.

Then we had the establishment of the Bank of Canada. We do not all see exactly eye to eye as to the conditions under which this bank should have been established. Some believe it should be purely a government concern, others that it should be privately owned, and others that it should be government owned and privately controlled. However, we have the bank established and we trust and believe that it will materially improve financial conditions in Canada.

Then last year we had the marketing act. A good deal of opposition to this act, I understand, has developed in certain parts of the west. So far as Ontario and the other provinces are concerned I believe a strong movement has developed in favour of it. The

people of Ontario believe that it is rendering a good service. I believe it will be more appreciated when it is better known. This legislation was based upon the British act, and cooperative purchasing and selling has been a success in Great Britain for many years. If this scheme is not complete in every detail there is no reason why it cannot be changed so as to be applicable to the conditions in Canada.

The next legislation to which I wish to refer is the farm loan act. I have very little knowledge of this legislation so far as Ontario is concerned, as it has not been in operation in that province. The loans which had been made in that province by the former government were cut off when the present government came into power, and many farmers suffered considerably. This reacted against the application of the Farmers' Creditors Arrangement Act which was passed at the last session. I believe this act is one of the most beneficial pieces of social legislation which has ever been passed by this parliament. I know that many settlements have been made in my county and throughout the adjoining counties. In most cases the matter has never reached the crown official and in all cases there has been a marked anxiety on the part of both the creditor and the debtor to get together. After the farm loan act has been put into effect in Ontario I am certain that great benefits will result from the operation of this act and the Farmers' Creditors Arrangement Act.

This government has also passed the Unemployment Insurance Act. This legislation is more or less of an experiment in Canada. It will have no immediate effect upon unemployment. If similar legislation had been passed in 1928 or 1929 when things were booming and the workmen could have easily made their payments, it would have obviated much of the unemployment relief being granted at the present time. We are following the example set by Great Britain where a similar act has been in force for about twenty-five years. About thirty-seven amendments have been made to the British act during that time, and undoubtedly it will be found necessary to amend ours.

The legislation to provide for an eight hour day has passed so far as this house is concerned. This legislation should have a very beneficial effect upon the country as undoubtedly it will give employment to more men. I am not sure but that it would have been better to provide for even shorter hours, but I am quite satisfied that this legislation will provide more employment. The weekly day of rest is observed practically all over Canada and there was no opposition to the passing of the legislation in that regard.

I believe the provision for the establishment of an economic council will have splendid results. I am glad to know that the government has decided to vote an additional $200,000 for the encouragement of the tourist trade. Other legislation is to be introduced; we are all looking forward to the presentation of the report of the price spreads commission. There is no doubt that legislation will be required in that connection. I hope some kind of works program will be presented to take the place of unemployment relief. Personally I have never been in favour of direct relief. I think the municipalities, the provinces and the dominion, either separately or in combination, should supply employment and then the municipalities could take care of any cases of illness.

Hon. gentlemen opposite seem to have entered into a conspiracy of silence so far as the budget is concerned. I should like to ask them what they have done during the last few years in the way of social legislation. As I have pointed out, they were in power from 1921 to 1930 and during that period conditions were favourable to the introduction of social legislation. The leader of the opposition (Mr. Mackenzie King), then Prime Minister, said that he had these things thoroughly in mind. He had even placed them in a book which had been published a year or two before.

Mr. BOUCHARD: It is a good book.

Mr. ARTHURS: Probably it is. Books last longer when you do not read them; they do not get worn or torn. At any rate he did not put these things into practice. In the Liberal platform of 1919 we had a reiteration of many of these things but no legislation was presented.

It was contended that we should have had a conference with the provinces before introducing this legislation. I should like to know how many conferences the leader of the opposition had with the provinces when he was Prime Minister. No legislation resulted from those conferences, but when we bring in legislation we are met with the cry that it is ultra vires. The people of this country do not care whether this legislation is ultra vires or intra vires; they want the legislation and they are willing to adopt any means possible to secure it. It may be necessary to make some changes in the British North America Act, but I am quite sure that the people of Canada will not stand for

any talk about ultra vires or intra vires. They are not going to vote for those who write books which are kept in the library; they are going to vote for those who write the necessary legislation into the statute books of the country.

Mr. V. C. PORTEOUS (North Grey): Mr. Speaker, I do not think I will be censored by hon. members opposite for raising my voice at this time because I believe that if the records of this parliament are searched they will show that I have taken up as little time as any hon. member opposite.

First, I want to congratulate the Minister of Finance (Mr. Rhodes) upon the clear and concise form in which he presented his budget. If individuals and the municipalities followed this method in the presenting of budgets I believe they would not find themselves in the embarrassing circumstances which they sometimes do. The other day the mayors of the different cities came to Ottawa to insist that this government take over responsibilities which the cities have neglected to some extent because they have not followed economic and business principles in the budgeting of their expenditures. I should like to commend to these gentlemen the methods which are followed in rural municipalities where exactly the same obstacles have to be overcome as have to be overcome by the cities. These municipalities handle the budgeting of their expenditures in a most economical way, and the mayors could very well go to the rural municipalities for a lesson in economics.

I want to add my congratulations to the official critic of the opposition, the hon. member for Shelburne-Yarmouth (Mr. Ralston). I remember reading some years ago the rules of a debating society in which it was stated that the object of the affirmative side was to build up their argument and the object of the negative was to tear down. I must say that exactly the same practice is followed in this chamber, and from that standpoint the hon. member who moved the amendment should receive commendation, for he did excellent work in trying to break down a platform which had been set up. This budget is the culmination of five years of legislative progress. I suppose there are those on the opposite side who will say that is not so, but I say that this government has passed more progressive legislation than any government that has ever been in power for a like period in the dominion, and it cannot be accused of inaction.

Another name for the budget could be tariff and taxation, and I want to deal for a moment or two with tariffs, because I feel that the enunciation of policy by members of the opposition who say that they are free traders is not sincere. I have always noticed, as the hon. member for Compton (Mr. Gobeil) said a few years ago, that they are free traders in opposition, but when they are in power they are protectionists just as much as this party, and to almost the same extent.

For years and years we have been confronted with the problem of the tariff and I presume that we shall always be faced with that problem. But I hope that the time will come when the tariff will cease to be the political football it has been in the past and that elections will not be won and lost on tariff policies. I hope that the time will come when an international body will be set up to give counsel to the different countries in the world with respect to tariffs. I think that time will come; I think it is fast approaching, and the fact that we are dealing with the tariff to quite an extent, and that all governments in the world are dealing with it, by means of trade treaties, is a sign that that time is fast approaching.

We have the problem of taxation. There are those members in this house who raise their voices in support of social legislation because, as I believe, in many instances they feel that they can get some support from their constituents by voicing such opinions. The fact remains however that no money can be expended without some form of taxation whereby sufficient will be collected to meet that expenditure. The government after all is only the people, and expenditure necessitates taxation; and I believe that this budget presents a fair and equitable form of taxation to meet the necessary expenditures which are ever increasing. I believe that this budget does this better than any other budget that has been presented to this house.

In the past we have been faced with the problem of trade balances. I listened once, as most members of this house listened, to one of the greatest economists, Sir Josiah Stamp, when he spoke to us in the parliamentary restaurant. He dwelt on the importance of trade balances, and as a result of having listened to his wonderful lecture on that subject I searched the records for a decade with respect to trade balances between Canada and the United States. That decade was between 1920 and 1930, and I found that we bought from the United States almost $2,500,000,000 worth of products more than we sold them, or that we had an unfavourable trade balance during those ten years of almost that amount. As a result also of listening to that lecture, when that learned gentleman told us that an unfavourable trade balance must

be absorbed in some way, I searched statistics to find out how that unfavourable trade balance was being met, and I found that in the same period, federally, provincially and municipally in this dominion, we had borrowed almost that identical figure. That tells one story and one story only, and that is that we bought from the United States during that period almost $2,500,000,000 more than we sold and then borrowed the money to pay for it. But that is not the worst. The major portion of that money was borrowed from the United States.

In view of these facts, which are presented to us fairly and concisely, what could we do but use the only instrument at the disposal of any government in order to correct these unfavourable trade balances? It is true that there are some invisible balances such as the tourist trade, and we have reaped some benefit from that invisible trade balance with the United States. But the United States also receives some benefit from the tourist trade going from Canada. Moreover, we are a debtor country and we must budget in order to meet the difference in interest rate which is going out of the country all the time.

I wish to commend the Minister of Finance for having taken a step in connection with the taxing of unearned income. I discussed with the Minister of Finance a few years ago the question of taxing non-taxable investments. At that time I advocated some method whereby investments not otherwise taxable should be made taxable, and I presented the example of a farmer who went out and bought a farm for $10,000, of which he had to borrow $6,000 from a private individual or a mortgage corporation. Just as soon as he took possession of that property he became liable for the taxes on it, whereas the person or company from whom he borrowed the $6,000 paid no tax except perhaps some income tax on the interest. This plan of taxing unearned income is one of the finest steps to be taken by any government during a period such as this.

From time to time we have heard urged, particularly from the far corner of the house, the question of monetary reform. I do not say that we should not have such reform to some extent in order to cope with other countries; I believe we should keep pace with other countries in that regard, but I want to say that you cannot make money by reforming it. Our paper money in this country represents only what is behind that money, and merely printing money is not going to make it valuable. Moreover, by printing money you cannot meet your obligations more economically than by borrowing money. The moment you issue currency without adequate coverage you decrease the value of your currency to exactly the same extent as you would by borrowing in a foreign market and paying interest; exactly the same thing happens. While I feel that we should keep abreast of the times with respect to our money policy I believe we should use every precaution to see that we do not get off solid ground or away from stable currency.

I have said that the life of this parliament has covered a period of progress and accomplishment. A special session was called as soon as we came into power, and the first step we took was to build up our tariffs. That was necessary in order to correct the adverse trade balance, and it was necessary because other countries felt the depression before it reached Canada, and they were dumping goods into this country, more or less at bankruptcy prices, which we should have been producing in Canada. As a member of the Conservative party I must say that I have no apologies to offer in respect to the building up of the tariffs at that time; I think it was the only proper thing to do. As the hon. member for Winnipeg North Centre (Mr. Woodsworth) said the other day, to a large extent we had lost our markets; our customers had become our competitors and it was necessary that our home markets should be retained for our own products. Then we entered into trade treaties, and I have special reference to the Ottawa agreements, which surpass any endeavours in that regard on the part of any previous government. As a farmer I sometimes wonder what might be done to raise the prices of farm products, but I shudder to think what might have happened with respect to our cattle and hog industries, for instance, if we had not found that outlet which was presented by the Ottawa agreements. Where would the prices of hogs and cattle have fallen? They are low enough now, dear knows, but they would have been much lower if we had not had the Ottawa agreements—

An hon. MEMBER: Oh, oh.

Mr. PORTEOUS: —which my hon. friend, who just gave voice to his disagreement, voted against. Without those Ottawa agreements the prices of our cattle and hogs would have been much lower, and now we are in a position to reap the full benefit of those agreements.

To a large extent, Mr. Speaker, we have regained trade with the old country which was lost under the Liberal regime. I must say that the British market is the surest and most stable market we have; it will take our hogs when other countries refuse to do so.

While it is not for me to say anything in regard to trade with the United States, since an agreement is pending with that country, I will say that we should be very careful not to destroy our market in the United Kingdom in anticipation of any other market, because the day will come when there will be a reaction in these other countries and we will be glad to avail ourselves of the United Kingdom market. So I think we should retain our position in that market which has been assured to us under the Ottawa agreements.

We undertook and carried out a census in this country which throws perhaps more light on the situation than any census previously taken. I have always maintained, especially with regard to farmers, that we have not been in possession of sufficient knowledge with respect to the possible consumption of our agricultural products. I hope that as a result of the census which has been taken, and following some further legislation which will be brought down, we may be able to control our output and take advantage of the knowledge which is presented to us. We are tackling the unemployment problem. When we first did so there were those who condemned the government for its unemployment policy, but I notice those same people are now trying to steal the government's thunder by saying more money should be appropriated for that purpose. There may have been some irregularities with respect to the administration of unemployment relief moneys; undoubtedly there were. But I would like to ask hon. members what set-up they could have made in such a short space of time that would have been more economical and efficient than the set-up which was made, by which unemployment relief was administered through the municipalities. For this or any federal government to undertake to administer unemployment relief would have been much more extravagant than doing it through the municipalities. The municipalities were in a better position to administer relief than any other governmental body, because they were in closer touch with the requirements of the situation. Some hon. members are ready to tell in this chamber of conditions in which they find those who are recipients of unemployment relief. I heard the hon. member for Winnipeg North Centre (Mr. Woodsworth) say yesterday that there was only one bathroom in an apartment house in the city of Montreal to serve forty-nine people. But I wonder if that hon. gentleman realizes that there are thousands of people in this country who have no bathroom at all, yet they are contributing to unemployment relief. I wonder if he and other hon. members realize that there are many people contributing to unemployment relief at this time to provide water from the tap for other people when they themselves are carrying water from wells; who are contributing towards electric light for others and reading the reports concerning it by the light of coal oil lamps. Is it not time that someone took it on himself to voice the position of some of the farmers in this country? I have no fault to find with unemployment relief justly administered; it is a problem which confronts us and I think one which we shall eventually solve economically. But I do say that some who are receiving unemployment benefit have a higher standard of living than some who are contributing to it.

This government tackled unemployment relief, and we have nothing to apologize for in that regard. The hon. member for Winnipeg North Centre said the other day that we should have more equality of sacrifice, and he referred to some cartoon which he had seen in a newspaper, under the caption Everybody One Step Down. I remember seeing a cartoon myself some years ago in the early days of bolshevism; it showed a lean, lanky man sitting in front of a grocery store with a banner across his breast bearing the word "bolshevik." A passer-by asked him: "What does that word 'bolshevik' means?" "Well," he said, "it means absolute equality; nobody has anything to eat." That is about as good an explanation of bolshevism as could be given, because if those people had their way who advocate policies such as those of which we have heard, they would destroy the credit of the country and the result would be that everybody would be equal but everyone would be starving.

Then we assumed greater responsibility respecting old age pensions. May I say in passing that the Old Age Pensions Act was the only part of an extensive program presented by the Liberal party to the labour people of this country in 1919 that was carried out. We assumed ninety-five per cent responsibility in connection with that act. Then we introduced legislation setting up the central bank, and I believe that as the years go by the central bank will prove to be one of the most beneficial financial institutions in this or any country, because it will exercise a controlling influence on the alternations of prosperity and depression that have characterized the past under the banking system as we have had it. Then we introduced the Natural

Products Marketing Act, which gave the farmers the only opportunity that ever had been given them to control to some extent the selling price of their products. I was astounded to hear my hon. friends opposite vote against that bill. Surely they realized that in this world in which trade is coming to be regulated largely by codes, farmers should have some organization by which they can to some extent control the marketing of their products. Through the facilities afforded by that legislation I believe that as the years go by the agricultural community will reap splendid results.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. PORTEOUS: When the house rose at six o'clock I was reviewing as briefly as possible some of the progressive and reform legislation this government had sponsored in the past. In addition to the items I have already mentioned there are the Farmers' Creditors Arrangement Act and amendments to the farm loan act. We have maintained our credit and the value of our currency. Through the price spreads commission we have set out to investigate some of the irregularities in connection with trade and commerce. In passing may I state that this is the only government which has had nerve enough to investigate matters of that kind. We are about to set up a wheat board, and still the Liberal opposition continues to present motions of want of confidence in the government.

In the few brief moments at my disposal I should like to review what is known as the capitalistic system. I do not believe that the expression "capitalistic system" is in most instances properly applied. In my opinion we are living under a free and competitive system. Capitalism is a product of democracy and not a system in itself. We live in a free country, a country where any individual is privileged to engage in any occupation he may see fit to follow, and we hope that in years to come every Canadian will have that same opportunity. Under our system each individual is rewarded according to merit, and other than by way of reform I do not believe the system can be improved upon.

The great country to the south of us makes the boast that it has made more money in a short term of years than has any other country in the world, and under the system prevailing in that country they have produced more profits than has any other country. For years I have watched industrial workers, and in passing may I state that I have a high regard for the honest industrial worker and the honest employee. I regard highly that man who is willing to give of his skill, for which he may be remunerated in dollars and cents. I have watched the industrial workers in action, and may I observe that in years gone by there was very little difference between the status of the employee and that of the employer. In bygone days the employer served an apprenticeship and understood the conditions under which the employee worked. Then the employer worked as many hours per day as did the man working under him. What is the condition to-day? By manipulation of the Companies Act, by monopoly in industry and by other methods, the employer has become immensely rich while the employee may be found among the list of unemployed.

Faced with these conditions is it not time for us to embark upon some program of reform so far as possible to correct this free and competitive system? That is the program upon which this government is embarking to-day. As I have stated previously, I was surprised to note that the opposition chose to oppose some of the reform measures which passed last year. I believe they would still oppose the reform legislation were it not for the fact that they realize public opinion is behind it. They understand that the public is behind the reform policy enunciated by the Prime Minister in his radio speeches, and were it not for that fact they would be opposing the reform program now before parliament. However they have learned that public opinion favours reform and for that reason have made a right about face and declare themselves ready to vote for reform legislation.

The reform program was initiated by none other than the right hon. Prime Minister (Mr. Bennett), who had a reform program in mind a few years ago when we were embarking upon the census, which I mentioned earlier. Since that time he has steadily advanced and made reasonable his reform program. Not only do I hope and believe that he will be back to lead the Conservative party to victory in the next election, but I believe that in years to come he will embark upon a reform policy which will give the world leadership and further jurisdiction for the existence of a free and competitive system.

In 1928 my right hon. leader warned the then government of conditions obtaining at that time, when they were embarking on a mad orgy of expenditure and extravagance.

The foresight which led him to warn the government of that day will lead him in the reform measures under which the people of Canada will prosper in years to come.

Mr. F. H. PICKEL (Brome-Missisquoi): Mr. Speaker, I should like to offer my congratulations to the Minister of Finance (Mr. Rhodes) upon the manner in which he presented his budget speech. Seldom has this house been treated to such a full and clear picture of our assets and liabilities. Upon his creditable performance of this huge task the minister deserves congratulation.

During the present session I have remained quiet in my seat; in fact at no time have I been noted for kicking up a disturbance. I have been pleased with the legislation brought down in the last five years. It is to my liking; and the reform measures which the Prime Minister (Mr. Bennett) forecast in his radio speeches furnish another reason why I am perfectly content. I am very sympathetic towards them, and I trust that as a result of the findings of the price spreads commission much useful and necessary legislation will follow.

It is strange, Mr. Speaker, the change that has taken place in the mentality of this house in the last five years from the point of view of agriculture, and that is the topic in which I am particularly interested. Many measures have been enacted for the benefit of the farmer, and I trust that many more will be brought forward as a result of the findings of the price spreads commission. I am convinced, sir, that this parliament has enacted more useful agricultural legislation than has been passed in any previous quarter century. As the Prime Minister told us in his radio addresses, times have changed and we must change with them. That is very true. The policy of the Prime Minister is to uplift the little fellow. The capitalist and the industrialist has had his own way for a long time uncurbed, and as in the case of the individual, it has proved his undoing. He has gone too far, and reform must take place in a quiet and evolutionary manner or we shall have something serious on our hands. The standard of living has been raised so high in this country, and in fact all over the world, that it is only the capitalist and the industrialist and their executives who are permitted to enjoy that standard of living. As I said, the Prime Minister's policy is to uplift the little fellow so that he too may enjoy a better standard of living and take in the show. Years ago the best and most solid citizen in Canada was the agriculturist, but to-day he is the puniest, the tiniest, the lowest graded class in the whole dominion; yet he constitutes fifty per cent of our population. That is a strange thing, Mr. Speaker. We have gone on in this country building up industries. We have had an industrial mania not only here but all over the world, and the little fellow has been left too much to float along alone. Like the products of no other class in the community, the products of the farmer—his butter, his cheese and everything else that he produces—are shipped to the cities, there to be distributed by middlemen who fix the price and reap millions out of the farmer's labour.

I have heard some hon. members speak about the importance of our coal mines and other minerals. But compare them with agriculture and they do not make a very good showing. The minute you take an ounce of gold out of the ground the mine has depreciated by that much, but agricultural wealth is a perpetual asset and should be continuously increasing in value and making new wealth. But at the present time the farmer is beaten out.

I want to refer for a moment to the standards of living and the high cost of living, and I do not think I can do it in any better way than simply to mention the golf links and golf courses that abound around our cities and towns. Millions of dollars are invested in these courses, and who enjoys them? Only the capitalist. The farmer never plays golf. The nearest the farmer ever gets to playing golf is when he knocks the dried-up tufts of fertilizer around his fields with a mallet. That is all the golf he gets. Take a train leaving any of our cities at noon in the summer and you will find it filled with men going out to the golf courses, all togged out in their knee-high pyjamas and other accoutrements. Why, Mr. Speaker, the cost of a pair of golf hose would buy two suits for a farmer. The farmer is wondering where he is going to get his next pair of overalls. That is the position in which he finds himself.

The farmer in normal times is by long odds the heaviest consumer, the heaviest buyer in the Dominion of Canada. Let him get his just share of what he produces and he will be able to absorb one-half or three-quarters of the present day unemployment. But to-day the farmer is unable to buy, and what work is done on the farm he has to do himself.

As I said a few minutes ago, we have gone industrially crazy, and we have done so at the expense of the primary producer. The capitalist has been misled. He has suffered from a sort of greed for gain. That is his hobby, and that has been the trouble—how much he can make. He has been given all power; he has been unbridled, unchecked, and

it has simply been the means for self-destruction. We cannot go on in the way we are going. The capitalist will have to be curbed. The Prime Minister states distinctly that he does not intend to do away with capitalism, but he intends to reform it, to eliminate its bad features and retain the good ones. It seems to me that that would be a perfect solution. Along in 1927, 1928 and 1929 we saw an example of what a standard of living could be. We saw men with money and men without money but with facilities to borrow falling over each other in brokers' offices to buy stocks. Many of these stocks were all right but they were paying only two and two and a half per cent in dividends. I can give another example. In the small town in which I live we are paying more to-day to light our streets than we paid twenty-five or thirty years ago for all our taxes. Under these circumstances I submit that we must do one of two things. We must either reduce the standard of living or lift up the little fellow so that he can bear his share of the load. I am for lifting up the little fellow, because the country in which the standard of living is the highest is the better place in which to live.

As a general rule I do not indulge in political discussions in the house; we have far too much of this. But I cannot allow the remarks made by the genial and popular member for Sherbrooke (Mr. Howard), on January 31 to go unchallenged. The hon. gentleman gets so enthusiastic about his political views that he is often led astray and makes many misstatements of fact. His speeches are not usually full of moderation but I think in this instance he outdid himself. He was outlining certain things which this government had done, and on page 367 of Hansard he is reported as saying:

> The duty on butter, under the King administration, was four cents per pound.

I submit that the hon. member must have known differently; he must have known that the duty was one cent per pound and that we brought in over 41,000,000 pounds of butter during the last years of the King administration. He then goes on to make a mountain out of a molehill.

Mr. HOWARD: Would the hon. member mind telling us the price at that time?

Mr. PICKEL: That has nothing whatever to do with the case.

Mr. GOBEIL: The question is: Was your statement correct? You know it was not.

Mr. PICKEL: He tries to make a mountain out of a molehill. He gave the importations of butter, but they are nothing as far as our market is concerned. It must be remembered that a great deal of this butter came in from England and paid a duty of eight cents per pound. Statements of this kind are the result of political bias and an attempt to make capital out of nothing. There is nothing in what the hon. member says.

He then goes on to talk about the Quebec milk commission and what they have done for the farmer. This commission was in existence before 1932, when an investigation was held by this government. The members of this commission had been riding over the province for two or three years doing nothing. They were drawing salaries for visiting the farmers and inflicting restrictions and regulations upon them but never increasing the price of their products. This state of affairs was allowed to continue until the session of 1933 when this government gave permission to the agriculture committee to hold an investigation into the whole matter. The investigation was held and a report was drawn up highly derogatory to the distributors. A copy of this report was sent to each of the provinces along with a copy of the evidence taken before the committee. The provinces were requested to take the necessary action. In 1934 the Quebec legislature empowered the Quebec milk commission to set prices. This action is greatly to the credit of the legislature but the fact remains that had it not been for the action of this government the members of the milk commission would still be joy riding around the province.

Let us look into the manner in which this milk commission is working at the present time. In the autumn of 1934 the farmer in Quebec was getting $1.50 per 100 pounds for his milk. The time had come to set a winter price and the distributors and producers had agreed upon a price of $2.05 per 100 pounds. The milk commission entered the picture and reduced this price to $1.85.

Mr. POWER: What about the surplus milk?

Mr. PICKEL: I give the milk commission credit for doing away with the surplus milk, but they did reduce the price agreed upon by the distributors and producers. They also gave the distributor the privilege of increasing the price to the consumer by forty cents per hundred pounds. The farmer was given thirty-five cents more but the distributors received an additional five cents. It was not the object of the investigation held by this government to increase the price of milk to the consumer; the object was to have a more equal division of the proceeds of the labour

of the producer, which he does not get at present.

I communicated with the commission last fall in an effort to have them fix the price of cream, and they told me that they would look into the matter. Up to date they have not done so. The farmer is supposed to have expensive equipment; he must have his premises fixed up in just such a way and he has to wear just such clothing when he goes to milk—they will be wanting him to wear a dress suit pretty soon. He must do all these things but the price of cream has not been fixed. On May 28, 1933, when this investigation was being made, the price of butter was 28 cents per pound. On that day a Toronto dairy paid $1.28 for a gallon of 40 per cent cream. This gallon of cream was reduced down to 30 per cent with surplus or separated milk. The whole process cost the dairy between $1.37 and $1.38. That product was sold to the consumer for $5.68—three times as great a return as in the milk business; and the farmer gets no benefit. I would not take up so much time, but I do not like to have such a bombastic outburst from the hon. member, denouncing the government and making a lot of misstatements as he did.

Often we hear that the government should not be in business. I contend that the government has been in business a long time. The government has even gone into the business of fixing time, which is a bad thing for the farmer; I know of no legislation that hurts the farmer more than daylight saving. Nothing does more damage in the country. The price of labour is indicated in the Labour Gazette, showing that printers receive from $5 a day up, bricklayers, plumbers, gas fitters, carpenters and others from $8 to $10 a day, for an eight hour day. Is that business? I contend that a good deal of the hardship which the farmer is suffering to-day is the result of governmental interference—and when I speak of the government I mean federal, provincial and municipal governments. There have been a good many restrictive, regulating and grading acts which the farmer has to put up with. I am not opposed to grading; I want that distinctly understood. I am not opposed to grading so far as our export trade is concerned, because we must have it if we are to compete; but I do not think it is right to pass a grading act and then fail to see that it is properly administered.

To-day they are buying eggs, and they will continue to buy eggs during the summer at 7 to 10 cents per dozen, especially in the west; they will put them in cold storage, and six or seven months hence they will receive from 40 to 50 cents a dozen for these eggs, for which they are paying from 7 to 10 cents a dozen. Is that business? If the government is in business it should prevent that sort of thing. In 1932 the distributors in this country paid 16½ and 17 cents a pound for butter. They bought butter all summer, during the time the farmer was producing, and in the winter it went up to 32 cents a pound. What consolation is it to the farmer to have butter selling at 32 cents a pound when he has none to sell? There is no satisfaction in that kind of business. In 1933 the distributors paid 17½ and 18 cents a pound during the producing season and in the winter butter went up to 30 cents. This last summer they paid 18½ and 19 cents and this winter the price went up to 26 cents, and it would have gone up to 30 or 32 cents had it not been for the surplus in storage. There was some 14 million pounds in cold storage and this had a tendency to keep the price down. Why should such things be allowed to go on? We consume practically one hundred per cent of the butter produced in this country. We consume ninety-eight per cent of all our farm produce, except wheat and cheese. In this connection, we hear the opposition crying for markets. Not only this year but throughout the past five years that has been their cry—let us have markets. I say to them, use your common sense and tell us where you can find a market with as high a price as you can find right in this country.

An hon. MEMBER: In the United States.

Mr. PICKEL: During the past five months, as the result of artificial stimulation, the American people have boosted their prices to our level and a little higher in some instances; but a year ago we got three times as much for our pork, ten cents more for our butter and ten cents a dozen more for our eggs. Is the artificial stimulation going to continue there? I fear for that country. I hope they will come out all right, but if they do not the result will be reflected in this country. They are spending billions over there to stimulate prices and there is a good deal of grumbling all over the country.

In my opinion our cold storage plants, on which thousands upon thousands of dollars have been spent, do not help the farmers at all. Who gets the advantage of cold storage? The commission man. It does not help the farmer, because it enables the commission man to buy the farmer's produce in the summer at a low price and leave it in cold storage; and when the farmer stops producing in the fall of the year the cold storage

operators boost prices, making millions. These plants were built presumably for the benefit of the farmer, but the farmer has been neglected and he gets no advantage from them. As they are operated to-day they are a curse to him.

Before I close there are one or two facts I want to present to the house. Perhaps I shall be told that my age accounts for what I am going to say—they tell me I am getting old and childish, and perhaps I am—but to me the two gravest menaces that we are facing in this country to-day, and the same is true of the world at large, are, first, automobiles, and second, the lack of discipline among the youth. The automania is a perfect curse; and what is to become of the youth of the country? There is no discipline among the children. I was surprised and amused the other night when the estimates of the Minister of National Defence (Mr. Stirling) were being considered and he was being questioned about the relief camps. It seems that there has been some trouble in regard to discipline. I should like to know how you can have an aggregation of young people without discipline; it is absolutely impossible. Discipline is the first requisite, but where is there any discipline among the young people? There is no more home life, absolutely none. There may be individual exceptions, but as a general rule there is no more home life. The children come and go as they please. If you tell them to gee they will haw, and if you tell them to go east they will go west. They think of nothing but sport, dancing and social gatherings. Take the schools, sir, the colleges and universities; they are just athletic recruiting grounds. The athletic instructors draw down salaries twice as large as those of the professors. Look at the newspapers; they are half filled with sporting news. You see young fellows rush for the latest editions of the papers, and all they look at is the sporting page; that is all that interests them. How are we going to get at these people, these future rulers of this country? I do not know how we are going to discipline them; to my mind that is certainly a serious question. This might be a big field for the churches. As I said a moment ago, when the Minister of National Defence was putting through his estimates two or three members were questioning him quite closely; evidently they did not think the inmates of the relief camps were being treated very well, but I noticed that most of those who spoke on that subject were bachelors, who did not know much about it.

I am not going to keep the house in suspense any longer, Mr. Speaker; I am just going to stop. To my mind our most important problem is our young people, girls as well as boys; one is as bad as the other. Where are they going? You can do nothing with them. I hope someone will evolve some scheme by which they may be brought to their senses.

Mr. J. F. WHITE (London): Mr. Speaker, a number of those who have taken part in this debate have congratulated the Minister of Finance (Mr. Rhodes) on the budget he brought down this year. I think, sir, the highest commendation he can receive is the commendation of the general public. I think no budget brought down in recent years has received the support and inspired the confidence of the Canadian people to such an extent as the budget that was brought down just a few days ago. I am sure, sir, that the support that has been extended by the Canadian people proves that they realize that in the very difficult and trying situation we have had to face this government have been doing their very best by the country. It was a moderate, well ordered, well reasoned budget, which gave detailed information as to our financial standing and very full information as to trade generally. I think it offers ample proof that we are making progress out of the difficulties which arose following the close of the war.

There has been some improvement; it is true that there is room for much more, but I think when we compare our condition with that of other countries we should be grateful that we are getting on so well. It is true also that we still have the problem of unemployment, though it is getting less serious as time goes. Hon. gentlemen opposite will recall that while they were sitting to the right of the speaker they also had their problems in connection with unemployment. They will recall that in 1924 and 1925, when the full effects of the war had not been felt in the United States, when business was booming in that country and when we were importing large quantities of manufactured goods, 500,000 Canadians went to the United States in

search of work, relieving to that extent the unemployment problem which faced the government of that day. At that time the government had at their disposal the key to the situation. They could have applied tariffs similar to those applied by this government, in order to save manufacturing in this country, but did not see fit to do so.

Hon. gentlemen opposite are free with their criticisms of the government in regard to unemployment, but it is rather strange that while during the five or six days of this debate sixteen speakers on this side of the house have taken part, only three members of the official opposition have expressed their views, and of the three only one was an ex-cabinet minister. Surely hon. gentlemen opposite must have opinions of their own. I do not know whether they are going to follow the course they have adopted thus far in the session and support the budget, but if they are not going to do so they should express their views and tell us why they do not intend to vote for it. At any rate I suppose we will see a little later, perhaps they yet may be induced to take part in this debate before it closes.

We on this side of the house protest against the campaign and propaganda of the opposition. Apparently they are unwilling to recognize that unemployment is a world condition, and they have also been carrying on a campaign in an effort to get the Canadian people to believe that there is some danger of the government amalgamating or unifying the railways. That propaganda has been carried on quite vigorously among the railway employees. No member of the Conservative party, much less a member of the government, is on record as favouring such a course; it remains for the opposition to look within their own ranks where there are two members, one an ex-cabinet minister, who have advocated amalgamation or unification. As a matter of fact I believe the ex-cabinet minister was responsible for the word "unification" in the first instance. Surely the speech of the Minister of Railways and Canals (Mr. Manion), delivered last Wednesday, will settle that point so far as the government are concerned.

The opposition also try to convince the people that when customs duties are increased the manufacturers take full advantage of such increases and raise their prices as much as the increases permit. In some cases it may be necessary to raise prices; I can understand how in certain lines of business a firm may be losing money. Perhaps a small increase in the tariff will give the firm enough lee-way to carry on, and in such cases they must raise prices. For a while I should like to discuss one point in particular. I hold in my hand a leaflet entitled Strangling Canada, issued by the National Liberal Federation of Canada; it is leaflet number one. If any further proof is needed that this is official literature of the opposition it can be found by referring to the speech of the right hon. leader of the opposition (Mr. Mackenzie King) on January 31, 1935, which will be found at page 385 of Hansard. In reference to farm implements they have this to say:

> A comparison of the charges against farm implements during the previous Liberal and Conservative regimes with that of the present Bennett administration is also striking. As these are imports mainly from the United States, the comparative tariffs here given are for imports from that country. A glance will show how far, in this question, the present government has departed from the Liberal policy, and how remote also it stands from the policies of Messrs. Borden and Meighen.

Then follow a list of charges, as they are called, on mowers and binders, as follows:

Mowers and Binders

	Per cent
Conservative	
Borden	12½
Meighen	12½
Liberal	
King	6
Conservative	
Bennett	25
Preference	28¾

Then follow similar quotations in regard to cultivators, harvesters, ploughs and other agricultural implements.

The matter to which I wish to pay special attention is farm implements. The literature which has been sent out, part of which I have just read, gives, I think, a wrong impression; therefore I wish to discuss briefly the general effect of the imposition of certain customs duties.

On February 13 last, in this house, a motion was made by the hon. member for West Edmonton (Mr. Stewart) to the effect that farm implements and machinery should be free from customs duty. Inasmuch as farm implements are duty free under the British preference, and any that are imported come mostly from the United States, it follows that the mover of that motion was in favour of free entry from the United States. The hon. member who proposed the motion became rather famous in 1924 as the author of the phrase "ringing the death-knell of protection." I suppose this is another effort to ring the death-knell of protection. He began with the statement that gradually through the application of the policy of protection manufacture has become concentrated, and combines, trusts and mergers have sprung into being. In order to correct that condition he proposes to go for relief to a country of higher tariffs and immeasurably greater mergers than ever existed in Canada. Does he expect corporations to be all that is pernicious and wicked in Canada but all that is benign and friendly when they happen to be located in the United States? I am afraid his trustfulness must be even greater than his fine open countenance would indicate. I think he should give some consideration to the Combines Investigation Act which was passed in 1923 when the present opposition was in power. By that act men engaged in a certain line of business who meet together and come to the conclusion that it is in their interest to charge certain prices for their goods and then all quote the same prices become liable to prosecution. But if they meet together and discuss the same problem and decide to pool their resources and form a combine and all go into one company and charge what price they like, then they are within the law. So it seems to me that piece of legislation might be called an incentive to combine rather than Combines Investigation Act.

Another argument used, and very properly, was that we must buy in order to sell. That argument has been often heard in this house. But I would remind the hon. gentleman that in respect to the United States the balance of trade has been against us for many years, and at no time was it more heavily against us than between 1921 and 1930 when the present opposition was in power. During all that time the United States market was gradually lost to us by progressive increases in their tariff. We have already bought and bought heavily, but we are looking in vain for the opportunity to sell. That situation has been brought forcibly before hon. gentlemen opposite very many times in this house, but they seem to forget it, and are willing and anxious to buy and buy and buy without any trade in return.

We all know that the Canadian customs duties were raised in September, 1930, particularly on agricultural implements. The tariff was raised from six per cent in some cases to twenty-five per cent, in other cases from seven and a half per cent under the general tariff to twenty-five per cent. However, there are many people who do not know that despite the increase in duties farm implements have been cheaper to the Canadian consumer during the past three seasons than they were at the time of the 1930 tariff increases. The prices for 1935 are not yet announced, so it is not possible to give comparisons for this year. I have been especially interested in this feature as at one time I was engaged in the manufacture of these goods, and later in the manufacture of the steel that enters into their construction. The changes in tariff were given in a return to a question asked by the hon. member for South Essex (Mr. Gott) on November 19, 1932, and answered on January 30, 1933. Taking for example binders and mowers, which come under item 445 of the customs tariff, prior to 1917 the duties were: British preference, 12½ per cent; intermediate, 12½ per cent, and general, 12½ per cent. It remained so until May 24, 1922, when they were reduced to: British preference, 7½; intermediate, 10; general, 10. That held until April, 1924, when the British preference was made free, and the intermediate and general six per cent. Then on Septmeber 17, 1930, the present government made the British preference free; intermediate, 15, and general tariff, 25. The same thing applies roughly to many other types of implements. I have here three different numbers of the customs tariff 445, binders and mowers; 446, hay rakes, cultivators, etc., and 448, hay loaders and hay tedders. This I ask to have put on Hansard; I have read enough of the document, I think, to permit it to go on the record:

Customs Tariff—Agricultural Implements

—	Prior to 1917	June 6, 1919	May 24, 1922	May 12, 1923	April 11, 1924
Binders, Mowers, No. 445.....	12½/12½/12½	No change	7½/10/10	No change	F/6/6
Hay Rakes, No. 446, also Cultivators, Harrows, Drills.....	12½/17½/20	10/15/15	10/12½/12½	No change	F/7½/7½
Hay Loaders, No. 448, also Hay Tedders.....	15/22½/25	12½/20/20	10/15/15	No change	5/10/10

—	April 16, 1926	Mar. 2, 1929	May 2, 1930	Sept. 17, 1930	June 2, 1931
Binders, Mowers, No. 445.....	No change	F/6/6 Combines 5/10/10	F/6/6	F/15/25	No change
Hay Rakes, No. 446, also Cultivators, Harrows, Drills.....	No change	No change	No. 409B F/7½/7½	F/15/25	No change
Hay Loaders, No. 448, also Hay Tedders.....	5/10/10	F/10/10	F/10/10	F/15/25	No change

I made the statement that prices have been lowered. I have here an advertisement of the Massey-Harris Company which appeared in the Toronto Star of July 9, 1931. Among other things it says:

> The price to the farmer has not been increased on any implement manufactured and sold in Canada by this company since the tariff on agricultural machinery was raised in September (1930) or since the recent budget of June first.
>
> Substantial reductions in price have been made since September last on an important number of implements.

The question of prices has come in for a great deal of attention on the part of hon. members during last session. I have here a collection of prices which I have gathered from time to time. These prices are on different types of agricultural implements, and are taken from price lists in my possession dating from 1905 until the present year. From 1905 until 1916 there was very little change. Take for example a 7-foot binder with no attachments; in 1905 it sold for $134, in 1908 for $115, in 1911 to 1913 for $138, in 1916 for $133, in 1917 for $149. The year 1918 was the first year in which there was much advance—that was the last year of the war—and in that year the price was $210. It continued to rise until in 1921 it reached the highest, $281. Generally speaking it ran about $237 until 1930, when it rested at $232. That was the year in which the tariff was changed. In 1932 the same binder sold for $183.24 despite the fact that the tariff was then 25 per cent instead of six per cent. In 1933 there was some difference in the price; the International Harvester Company had what they called a wheat plan discount. On the day of the announcement of that discount in the newspapers—the price being affected by the price of wheat—the price of wheat was 49⅞ cents, which allowed a discount of 12½ per cent off the list price. That brought the price of the International Harvester Company binder down to $190.30. In that year the Massey-Harris Company pursued a different policy, namely that of having a fixed discount of ten per cent off the list price. Their binder during the whole of the season was sold for $195.75. That of course was a seven-foot binder with no attachments. The price I have given is the Ontario price and the price f.o.b. branch houses in various parts of the province. I am informed that about the same ratio existed, so far as the western provinces are concerned. I have before me the figures for eleven different kinds of implements, showing retail prices from 1905 to 1933. I do not purpose reading those figures into the record unless there is objection to their being placed on Hansard; but if there is, I shall read them.

Retail Prices of Agricultural Implements

1905 to 1923—One payment Oct. 1st or Dec. 1st.
1924 to 1933—¼ cash—Balance Oct. 1st or Dec. 1st.

Year	7-ft. binder, no attachments	5-ft. heavy mower	Hay rake, dumping, 10 ft.	Cultivator, 6 ft., 9 stiff teeth
	$ cts.	$ cts.	$ cts.	$ cts.
1905	134 00	52 50	31 25	35 35
1908	115 00	54 50	27 50	33 00
1911	138 00	54 50	33 50	40 00
1913	138 00	53 50	33 50	40 00
1916	133 00	56 50	35 00	52 50
1917	149 00	61 50	39 00	57 50
1918	210 00	84 00	52 50	82 00
1919, Sales Tax, 1½ p.c.	220 00	87 00	54 50	85 00
1920, Sales Tax, 1½ p.c.	237 00	93 50	55 50	93 50
1921, Sales Tax, 3 p.c.	281 00	115 50	59 00	112 50
1922, Sales Tax, 3 p.c.	226 00	93 00	50 50	89 00
1923, Sales Tax, 4½ p.c.	234 00	95 50	51 50	96 00
1924, Sales Tax, 6 p.c. (abolished April 24)	247 00	100 00	55 00	97 50
1925	237 00	96 50	54 00	96 00
1926	237 00	96 50	54 00	96 00
1927	237 00	96 50	54 00	96 00
1928	237 00	96 50	54 00	96 00
1929	237 00	96 50	54 00	96 00
1930	232 00	94 50	54 00	94 00
1931	232 00	94 50	54 00	94 00
1932	227 00	93 50	53 50	92 50
Less allowance on "Wheat Plan" plus 5 p.c. when paid as per statement	43 86	18 03	13 33	17 85
	183 14	75 47	43 17	74 65
"Wheat Plan" discount on day of announcement by International Harvester Co., April 4, 1933 (discount variable with price of wheat—				
List price 1933	217 50	89 50	51 00	88 50
Discount 12½ p.c.	27 50	11 19	6 38	11 06
	190 30	78 31	44 62	77 44
Massey Harris—				
List Price 1933	215 50	89 50	51 00	88 50
Discount 10 p.c.	21 75	8 95	5 10	8 85
	195 75	80 55	45 90	79 65
1934	217 50	93 50	51 00	88 50

Retail Prices of Agricultural Implements

1905 to 1923—One payment Oct. 1 or Dec. 1st.
1924 to 1933—¼ cash—Balance Oct. 1st or Dec. 1st.

Disc harrow, 14 disc, 3-horse, out-throw	Disc drill, 13 disc, 2-horse	13 Hoe drill	Western single disc drill, 20" marker	Hay loader, steel windrow, with forecarriage	Farm wagon, gears, skein 3½, tires ½x2½	Hay tedders, 8-fork
$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
30 25	82 75	72 75	No quotation	No quotation	No quotation	48 00
27 00	72 00	65 00	*121 00	75 00	65 00	41 00
31 00	80 00	77 00	*115 00	75 00	67 00	49 00
31 00	80 00	77 00	115 00	75 00	67 25	49 00
34 50	87 50	81 00	113 50	74 50	67 00	52 00
38 00	93 00	85 00	125 00	78 00	70 50	56 00
57 50	125 00	115 00	188 00	112 00	90 50	79 00
57 50	130 00	119 50	200 00	116 50	104 00	81 50
67 00	149 00	133 50	220 00	120 00	118 00	87 50
78 50	179 00	163 00	254 00	137 50	138 00	100 00
60 00	142 00	133 00	206 00	112 00	111 50	82 00
66 00	148 00	139 00	218 00	118 00	111 50	84 00
68 50	155 00	147 00	238 00	122 00	112 50	85 50
66 00	157 00	149 00	232 00	123 00	107 50	85 50
66 00	154 00	146 00	232 00	123 00	110 00	85 50
66 00	154 00	146 00	232 00	125 00	110 00	85 50
66 00	154 00	146 00	232 00	125 00	110 00	85 50
66 00	154 00	146 00	232 00	125 00	110 00	85 50
63 50	154 00	146 00	232 00	122 00	110 00	83 50
63 50	154 00	146 00	232 00	122 00	110 00	83 50
62 50	152 00	144 00	230 00	120 00	105 00	83 50
12 07	29 41	27 86	44 41	23 16	20 27	16 12
50 43	122 59	116 14	185 59	96 84	84 73	67 38
60 00	143 00	137 00	220 00	117 00	100 00	81 00
7 50	17 88	17 12	27 50	14 62	12 50	10 12
52 50	125 12	119 88	192 50	102 38	87 50	70 88
60 00	143 00	137 00	220 00	117 00	100 00	81 00
6 00	14 30	13 70	22 00	11 70	10 00	8 10
54 00	128 70	123 30	198 00	105 30	90 00	72 90
60 00	143 00	137 00	220 00	117 00	100 00	81 00

*No particulars.

This is a concise table of what has happened in connection with the price of implements, and one well worthy of the perusal of hon. members. This information was taken from the official price records of the companies in question. Although duties were increased in 1930, as I have said they reached their lowest point in 1932. Since that time there have been some fluctuations and some increases. This list of eleven implements indicates that the prices are all lower than they were in 1930. Perhaps an outline of these differences might be of interest to hon. members. The price in 1934 for a 7-foot binder with no attachments was $14.50 less than it was in 1930; the price of a 5-foot heavy mower was $1 lower; of a 10-foot dumping hay rake, $3 lower; of a 6-foot cultivator with nine stiff teeth, $5.50 lower; of a 14-disc disc harrow, three horse, out-throw $3.50 lower; of a 13-disc disc drill, two horse, $11 lower; of a 13-hoe drill, $9 lower; of a western single disc drill, twenty inch marker, $12 lower; of a hay loader, steel windrow with forecarriage, $5 lower; of farm wagon wears, skein 3½, tires ½ by 2½, $10 lower; of an 8-fork hay tedder, $2.50 lower.

These are comparisons with the prices that obtained in 1930 when the duty stood at six per cent. The hon. member for West Edmonton has stated: "It is true that during and after the war the prices of farm machinery went up tremendously, almost as high as they are to-day." The hon. member claims to have been a salesman of agricultural implements during the years he mentioned, but so far as prices are concerned it seems to me he should have been better posted before making his statement. I suppose we must say to him that he is wrong again.

May I go a step farther and consider the effect of the increase in duties on the amount of implement manufacturing done in Canada. I have before me figures which have been compiled by and secured from the bureau of statistics. These tables show the value of production per year up to and including 1933. By adding the imports to production and subtracting the exports I have arrived at the requirements of Canada. I suppose I need not go into details in connection with these figures, but may I observe some interesting points in connection with them.

Between the years 1920 and 1924, when as I stated previously duties were fairly steady, and not below ten per cent, these figures would indicate that Canada manufactured 65 per cent of her needs and imported 35 per cent. As soon as the duties were lowered, namely in the year 1924, the position was adversely affected. During the years 1925 and 1930 inclusive, Canada manufactured only 47·2 per cent of her needs as compared with 65 per cent in the preceding period, and imported 52·8 per cent as compared with 35 per cent in the preceding period. Then, as soon as the duties were raised in 1930 we find another change. In the years 1931, 1932 and 1933 Canada manufactured 66·3 per cent of her requirements and imported 33·7 per cent.

These figures indicate, sir, what can be done, so far as increasing manufactures in Canada is concerned, when the market is reserved for Canadian manufacturers. As prices have not been advanced, but on the other hand have been lowered, that of course constitutes a step in the right direction. In his observations the hon. member for West Edmonton asked, "Why does the government persist in leaving those companies behind a twenty-five per cent tariff, which results in placing extremely heavy burdens upon the purchaser? Do not be misled by the statement that on every occasion they do not add the protection." I believe I have proved to the satisfaction of hon. members who are listening that so far as agricultural implements are concerned the protection has not been added to the prices charged the user. The hon. member sponsoring the resolution makes an attempt to prove that manufacturers always take advantage of protection. He has given a table quoting certain statistics concerning employees' salaries and wages, gross value of production and so on.

The hon. gentleman has given the answer to the question many people have asked, namely, as to why prices rise when production goes down. If hon. members interested will turn to page 784 of Hansard, February 13 of this year, they will find that salaries and wages in the agricultural implement industry are given at a certain figure and that gross value of production is given at another figure. In comparing the statistics it will be found that the salaries and wages in the year 1930 constituted 35·5 per cent of the gross value of production. Then, in 1933, business having fallen off owing to poor crops, other figures are presented. In this instance, however, the amount of salaries and wages has risen to 57·2 per cent of the gross value of production.

That I think is the very cogent answer to the question. We note that the figure is 35·5 per cent when production is high and 57·2 per cent when production is low. Manufacturing in Canada extends benefits to other lines of business. All hon. members know about the railway problem. We know that

the railways are starved for business and believe that if business were to revive to the point it had reached a few years ago the railway problem would be a thing of the past. So far as importation of implements is concerned the Canadian railways get, as their part of the freight rates, a proportion based on the mileage that the Canadian line hauls the goods, as compared with the total haulage from the point of shipment in the United States. In most cases it runs about half the rate, which would mean roughly speaking that on a car of freight shipped in from the United States the Canadian railways would get revenue from half the car. It is a well known fact among those who are accustomed to manufacturing that it takes from two to six carloads of raw products of various kinds brought into a manufacturing establishment to manufacture one car for shipment out. In that case if we take four carloads, the Canadian railroads will get the freight on four carloads going in and on one carload going out, whereas in the case of imported goods they would get the freight on half a carload only. It seems to me that that is a very important point, and it is something we should not overlook when we are trying to foster manufacturing in Canada. The benefit of manufacturing these agricultural implements in Canada extends to other industries. If they are made in Canada, from 40 to 45 per cent of the value of the finished implement is materials from other factories, from steel mills, malleable iron and steel foundries, cotton mills, pipe mills, bolt and nut factories. Leather, timber, paint and varnish and a hundred other items are involved, and all these factories are subject to the same conditions I have mentioned as to freight in and out of their works. The labour employed in all these activities and their needs in food, clothing and shelter, all give a cumulative advantage to the country which it is hard to estimate.

Finally if this idea of free trade or free entry in agricultural implements became the order of the day, what would happen to prices in Canada after free entry had been in vogue for perhaps a few years? Our manufacturing establishments now making implements would not be able to compete with the United States factories any more than they can compete in the manufacture of farm tractors which are now allowed free entry. Practically no tractors are made in Canada; they are all imported. It is true that the tractor is not as much in vogue now as it was a few years ago, but many millions of dollars' worth of tractors have been imported into Canada, all free of duty. Does anyone suppose, after these implement factories in Canada had closed down one after the other, that the makers in the United States, or anywhere else for that matter, would leave their prices at a low level? It is a vain hope, an assumption which is not well founded. I am sure that as soon as the opportunity arose, prices would advance and we would be at the mercy of manufacturers outside our own country.

The price statement I have made is not hearsay, nor is it opinion. It is a statement of fact, published in the different retail price lists which have been sent out from year to year by the manufacturers in Canada, and as I said before I have all these price lists from 1905 down to the present year.

Now what does the hon. gentleman who proposes this resolution hope to get in exchange for the business he would send to the United States? I have shown from the records of the bureau of statistics that when duties were lowered to six per cent the Canadian production was reduced from 65 per cent to 47 per cent of our needs, and if free entry were adopted no doubt a very much larger percentage would come in, probably 95 per cent. I have cited the example of tractors, and I have not the slightest doubt but that our experience with them would be repeated so far as other agricultural implements are concerned.

In regard to taking advantage of the duty, the hon. gentleman who proposed the resolution to which I have referred stated that the price of parts went up when a certain duty was raised. Now the question of parts is rather a debatable one. I understand that some of the western provinces have legislation which provides that any company selling in the province must keep a supply of parts in stock for a period of ten years in at least one centre in the province. That is very nice and very necessary, and no doubt it is needed, but it costs money and it adds to the price of the parts. Then after the ten year period has expired, or perhaps later, there is no doubt in my mind that a large percentage of the stock of parts goes into the scrap pile and becomes of no value at all, so that for these reasons the prices of parts will not be satisfactory to a great many people.

I want to congratulate the Minister of Finance upon his good business judgment in not disturbing the duties which are now on the statute book in so far as agricultural implements are concerned. Beyond question the advance in duties in 1930 was of benefit to

all concerned, and I believe that a fair and dispassionate review of the whole situation will confirm what I have said. Hon. gentlemen opposite, perhaps with a wave of the hand, may try to dismiss these things as being of no account, but I have given the facts and the figures, and I feel sure that I am right in regard to them.

Mr. F. W. TURNBULL (Regina): Mr. Speaker, before entering upon a discussion of the budget proper there are one or two things not connected directly with the budget which I wish to mention. I want to refer in the first place to some remarks that were made by the hon. member for Vancouver South (Mr. MacInnis) with the assistance of the hon. member for Bow River (Mr. Garland) and the hon. member for Willow Bunch (Mr. Donnelly) on March 29, as found at page 2254 of Hansard. The hon. member for Vancouver South said:

> Who organized the unemployed in Regina?
> Mr. Garland (Bow River): Who referred to him as Judas?
> Mr. MacInnis: The present Prime Minister (Mr. Bennett) when he was an agitator.

I very much regret, Mr. Speaker, that the hon. member for Vancouver South should refer to the Prime Minister of this country as an agitator during his absence from the house and especially under the condition of his present absence, and I think the hon. member for Vancouver South will regret it himself just as much when he has had the chance to think it over. He went on:

> Who organized the unemployed at Regina and gave them buttons to wear in the lapels of their coats?
> Mr. Donnelly: The Tories.
> Mr. MacInnis: Chickens will come home to roost.

It is wonderful, Mr. Speaker, how much these gentlemen who live so far from Regina know about these things, and it is wonderful how careless they are of the facts. That matter was brought up somewhere during the campaign in 1930, and if hon. gentlemen will consult the columns of the Regina Leader-Post, a Liberal paper, they will find there a letter from one of the officials of the association of the unemployed in which he says that the Conservative party did not organize the unemployed to attend Mr. Bennett's meeting on the tenth day of June, the day in question, but that the unemployed asked the party to give them a reserved portion of the auditorium so that they might attend the meeting and listen to what Mr. Bennett had to say with regard to unemployment. I assume that in order to identify themselves they wore a little bit of ribbon a quarter of an inch square on the lapels of their coats, but those badges were not placed there by the Conservative party nor were the unemployed organized by the Conservative party. I had occasion once before to deny that statement in the house, but apparently it needs denial over and over again. As the hon. member for Vancouver South says, "Chickens will come home to roost." But the kind of chickens he talks about are fouler birds than chickens are themselves.

I wish to make a passing reference to the national gallery. In my view the pictures in the national gallery are the property of the people of Canada, and as long as they are stored either in the museum at Ottawa or in the vaults of some building in Ottawa, as I believe many of them are, they are not of very much value to the people of Canada as art, whatever they may be as treasure trove. I firmly believe it is easier to take these pictures to the people than to take the people to Ottawa to see the pictures. While it is true that travelling exhibits visit various portions of Canada for a short space of time each year, I am of the opinion that the national gallery should be decentralized; that instead of collecting a huge gallery in Ottawa we should have smaller exhibits in various parts of the country, in the capitals of the provinces. With the pictures circulating through the capitals in that way those who live at a distance from Ottawa may have a chance to appreciate art as well as those who come to Ottawa.

There is another matter to which I wish to direct attention, and that is the growing custom of governing by commissions. It did not start with this government, but I am sorry to say that it has been continued to some extent by this government. I am of the opinion that the sooner we get back to the position where we are governed by bodies who have to do with the administration of the law of this country and where responsibility is placed in departments that are made responsible to the government of the country, instead of to parliament, which means no responsibility at all, the sooner we will get a better class of administration and one that the people can examine and control.

Returning to the budget; it is a very admirable presentation by the Minister of Finance (Mr. Rhodes). We have had criticism which at least does not err on the side of brevity from the financial critic of the opposition, the hon. member for Shelburne-Yarmouth (Mr. Ralston). The hon. member, representing the Liberal party, has moved an amendment, and a subamendment has been

moved by those who represent a body of opinion outside of the two old parties. The amendment of the hon. member for Shelburne-Yarmouth reads:

> This house regrets that the proposals submitted by the Minister of Finance on March 22 are entirely inadequate to meet the serious and acute situation prevailing in Canada and afford an additional reason why appeal to the people should not be longer delayed.

One would have thought that if the hon. gentleman, who has held high office in this dominion for so long found any serious fault with the proposals submitted, or deemed them inadequate to meet the situation which prevails, and had in his possession other proposals which would have met it more adequately, he would have done his duty as a member of the opposition by putting forward those proposals. My criticism of the hon. gentleman is, that at no stage in his amendment and at no stage in his address did he depart from the practice which the Liberal party has followed since 1930. Since that time hon. gentlemen opposite have played the game of the frog who sat beside the pond with his mouth open hoping that providence would send him a fly. Hon. gentlemen opposite have not offered a policy of any kind or made any suggestions as to how this country could be aided. They have opposed with all their might every suggestion which has been brought forward to assist the people of this country. They have fought year after year and time after time, even to the extent of requiring closure before we could possibly get any relief bills passed to take care of the people. I have heard hon. gentlemen opposite and their followers throughout the country make the statement that the men in the relief camps are being paid Chinamen's wages of twenty cents a day, but I would point out to the country through you, Mr. Speaker, that had the wishes of the opposition been carried out there would not have been a one cent piece voted, let alone a five cent piece, with which to pay these men the so-called Chinaman's wages along with providing clothing, shelter and food. This is what these men have received from this government in spite of the opposition of those who sit opposite. How hon. gentlemen opposite under the circumstances came to consider themselves the custodians of the interests of those in distress is beyond my comprehension. They have opposed every attempt by the people of Canada to assist those in need.

The second part of the amendment asks for an appeal to the people and suggests that this appeal should be no longer delayed. What has happened to the desire previously expressed by hon. members to have social legislation put upon the statute books of this country at this session? This is the third time this session that they have moved motions which if successful would have dissolved parliament and sent hon. members tc the country for reelection without any social reform measures having been passed. In view of these facts what can we say to their statement that they are anxious to proceed with the program of reform?

The subamendment moved by the hon. member for Macleod (Mr. Coote) rejects the idea of an immediate election as it asks that all that part of the amendment after the word "Canada" be struck out. The subamendment recommends the use of social credit to relieve the conditions faced by the people of this country. I am sorry the hon. member was not more definite in his proposal with regard to social credit. He did tell us that probably 300,000 people would take advantage of his proposition and receive $50 per month for twelve months. It would take $180,000,000 per year to carry out the provisions of the subamendment of the hon. member. The hon. member did not tell us how the social credit was to be distributed or in what form it was to be distributed, whether it was to be printed currency or something else. If it was to be printed currency, he did not tell us what effect it was going to have upon the exchange situation or upon the possibilities of our carrying on the international trade about which the hon. member at times waxes so enthusiastic. He did not tell us how the issuing of social credit was going to prove of any benefit beyond the giving to some person of a piece of paper which might be of some value for a month or so. There is one thing to be said in favour of the subamendment; it rejects the idea of having an election until after we have had the opportunity of completing the program of social legislation now before the house.

There are certain reasons why I desire to express my approval of the budget. My first reason is because of the increase in income taxes. Hon. members opposite often say that the Conservative party is a little tender with the incomes of those in the higher brackets, in fact the hon. member for Shelburne-Yarmouth rather pooh-poohed and belittled these increases. It might be interesting to have the record of the Liberal party with respect to income taxes and to find out just who was tender with those in the higher

brackets. I think it will be found that the Liberal party is the sinner in this regard. I have before me a statement furnished by the Department of National Revenue, income tax division, which gives a comparison of taxes paid on different incomes in 1921, when the Meighen government was in office; in 1930, when the King government was in office, and in 1933, when the Bennett government was in office. The latter figures are given without including the increases provided for in the budget this year. These are as follows:

Income	Taxes payable, 1921 Meighen government	Taxes payable, 1930 King government	Taxes payable, 1933 Bennett government
$ 5,000	$ 126 00	$ 32 00	$ 120 00
10,000	619 50	232 00	546 00
20,000	2,089 50	1,232 00	2,173 50
30,000	4,084 50	2,880 00	4,588 50
50,000	9,649 50	6,704 00	10,069 50
100,000	32,749 50	19,064 00	27,447 00
150,000	64,249 50	34,544 00	48,867 00
200,000	97,849 50	51,496 00	72,187 50
400,000	243,799 50	124,200 00	175,969 50
700,000	469,549 50	242,928 00	350,731 50
1,000,000	696,349 50	362,928 00	527,131 50

All through the schedule we find that the taxes imposed by the Conservative governments upon those receiving higher incomes were practically double the taxes imposed by the Liberal party.

I am glad to know that further exemptions in sales tax have been provided. This is a step in the right direction and will benefit many people. Another item is the removal of the excise tax of three per cent on goods imported into Canada from Great Britain and the empire. It is an additional move to help empire trade. Then the customs tariff was reduced on forty-eight items and increased on four, and there was a small change in the empire content of certain articles purchased in the empire. Because of these proposals; because of the history of this country, described by the budget, the history of returning prosperity, of continued economy in administration, of reduced interest rates, of expanding trade, of new trade agreements, of increased employment, of rising prices for primary products, of adjustments of farm debts, of expanding revenues, of balanced budgets, of favourable trade balances, of assistance to the provinces and the extension of farm loans—because of that history, I am very much in favour of the budget brought down by the Minister of Finance and wish to congratulate him and the government on the showing they have made during the return to prosperity from the depths of the depression in 1931, 1932 and 1933.

I wish now to deal with the second part of the amendment of the hon. member for Shelburne-Yarmouth—that is, that there should be an immediate appeal to the country. In my judgment there are many reasons why there should not be an immediate appeal to the country. The hon. member for Compton (Mr. Gobeil) gave one of them the other day, namely, that an immediate appeal would disfranchise two or three hundred thousand voters who have come of age since the lists were established. An hon. member says that they will not vote Liberal anyway, and that is why my hon. friends opposite wish to disfranchise them. But there are several important problems facing this country and it is necessary that they should receive proper consideration before any appeal is made to the electorate.

There is first of all the question of treaties, and in particular the question of empire treaties and the attitude of my hon. friends opposite with respect to imperial trade. During the election of 1930 the leader of the opposition (Mr. Mackenzie King) posed in Ontario as a great imperialist—Look what we did for imperial trade through the Dunning budget. That was his proclamation all through the country, and the then leader of the opposition, now Prime Minister (Mr. Bennett), was represented by him as an anti-imperialist who was opposed to the imperial connection. The leader of the opposition has declared that he is not in favour of protection, but I have before me a report that appeared in the Winnipeg Free Press of October 20, 1925, from Kingston, Ontario, in which the then Prime Minister, now leader of the opposition, was reported:

We realize that our industries have to have safeguards—

Not protection, but safeguards, whatever the difference is.

—with respect to competition from other parts of the world, competition from the country to the south of us, competition from conditions

as they are in England, and we think that is all the more reason why in these days of depreciated currency and the like we should have the benefit of expert advice and information on all these great questions of the tariff.

Where then was free trade, where was the fifty per cent preference which he was going to give England, instead of safeguarding this country against conditions as they existed in England, especially in those days of depreciated currency? And what about the criticism we have received from the other side day in and day out because, in view of the depreciated currency in other countries, we have imposed dumping exchange duties so as to protect the structure of this country from exchange on goods coming in under depreciated currencies? In connection with these treaties, and in connection also with the difference between a preference for a preference and a preference for a hope, I wish to quote some remarks of the Prime Minister of England, the Right Hon. Ramsay MacDonald, which appeared in the Ottawa Journal of March 14, 1931. According to that report Mr. MacDonald said:

> But we got orders for British industry made possible by preferences, and when the orders came the British manufacturer could not execute them because he had made an arrangement with the United States manufacturer not to put his goods into the Canadian market. "The very people who made these arrangements," concluded the head of the Labour government, "are now attacking the government because they did not pull off economic arrangements with the dominions the other day."

After twenty-eight years of "preference for a hope," of giving the British people preferred entry into our markets, we have the leader of the government there stating that instead of trying to get their goods into our markets under these arrangements, so that they could tie up with us, they tied up with United States firms, so that the Canadian market should belong to United States firms and not to the British—doubtless in return for something else somewhere. And that is why our imports from Great Britain are not as great as they otherwise would be, because British trade had entangled itself with agencies and representatives in New York, who were given agencies for the whole of the North American continent, and who saw either that British goods did not come to Canada or that they should come through New York, and were consequently credited to imports from the United States rather than from Great Britain.

In connection with these same treaties, we had the attitude of the Liberal party as expressed in the debate on the treaties. We have the declaration of the leader of the opposition that when he is elected to office he will restore the tariff to the point where it was when he left office, which means that these treaties cannot exist, because 167 items put on the free list by these treaties would have tariffs reimposed on them if the right hon. gentleman were elected and carried out that threat. Then he fought the historic battle of Liberalism to prevent these treaties from coming into effect; he declared that they violated all Liberal principles and destroyed Canadian autonomy. I wonder if hon. members have read the speech he made at Quebec when he said that Canada had been reduced to colonial status because we passed these treaties, and that our nationality had gone. They were going to involve us in questions of imperial defence and, according to the hon. member for Vancouver Centre (Mr. Mackenzie), they would destroy our lumber trade completely. But in spite of that they voted for it all; they swallowed the destruction of the lumber trade, swallowed our destroyed autonomy, swallowed the danger of our entering into imperial defence, swallowed the violation of Liberal principles, on condition that we inflate the dollar and put it on the same level as the pound.

The leader of the opposition came back from a visit to England and reported that there was no support for the treaties there. A few days later the English House of Commons nailed the story; they saw it for what it was worth. They approved the treaties by one of the largest majorities recorded in the British House of Commons. This impressed the right hon. gentleman so much that at the great meeting of the national council which was held in Ottawa in January, in the midst of a discussion of peace, he said that we should not be able to repeal these treaties but that it would be necessary to modify them in favour of international trade if they interfered with such trade. If they interfered with international trade they would have to be modified; in other words, where we had to choose between Great Britain and the United States, we would choose the United States rather than Great Britain.

Mr. MACKENZIE (Vancouver): What is your authority?

Mr. TURNBULL: The press. Although the press reports were to the effect I have indicated, there has been no denial from any member of the Liberal party since then, and there was no repudiation of the press reports during the debates on the treaties. For these reasons it is necessary for us to consider

whether it is safe to trust the renewal of these treaties to a party that has expressed itself so violently in opposition to them and in favour of international trade rather than of imperial trade—a party that has expressed itself as opposed to these treaties because they involved this country in complications.

Mr. MACKENZIE (Vancouver): And you are afraid to bring in a motion to void them. You deliberately shirked your motion; you shelved it.

Mr. TURNBULL: I suppose my hon. friend across the way will give us a vote of thanks because he was not compelled to put himself on record again in regard to the lumber trade of British Columbia.

Mr. MACKENZIE (Vancouver): I will discuss that when the time comes. I know far more about it than you do.

Mr. TURNBULL: Another question that will arise during the lifetime of the next parliament is that of converting a large amount of our tax free debt. The present government has successfully converted over a billion dollars of debt with an annual interest saving of approximately $15,000,000; it has reduced interest rates in this country from five per cent to the vicinity of two and a half per cent, and bonds which were free of income tax have been replaced by bonds which are taxable. Another conversion of that kind must occur in 1937. The people of this country must consider whether they would rather trust that conversion to a philosopher who writes books which are forgotten by everyone, including himself, or to a business administration that has made a success of that sort of conversion in days gone by.

A third problem that must receive the consideration of the people of this country is the railway problem. Hon. members opposite shake their heads and laugh over the railway problem. Nero fiddled while Rome was burning, and while the railway problem was being created during the term of office of hon. gentlemen opposite they were still laughing and telling the country everything was all right.

Mr. HOWARD: No one is laughing now; everyone is crying.

Mr. TURNBULL: I hope they are tears of regret that my hon. friend is shedding over the record of his party in connection with these railways. This year we have a deficit on the national system of some $40,000,000, for which the Minister of Finance has had to provide. The capital indebtedness of these railways was increased by $922,000,000 during the regime of hon. gentlemen opposite, according to the Duff report at page 27. The interest on that sum is approximately what it will cost this country this year to take care of the national railways, so if that $922,000,000 had not been added to the capital indebtedness we would have saved approximately $45,000,000 in interest. I wonder if my hon. friends are going to say that the purchase of six branch lines in 1929 for $35,000,000 was a proper expenditure of the public money; I wonder if they are not shedding tears of regret over it now. I know that Professor Norman McL. Rogers, who is a Liberal candidate in Kingston, is authority for the statement that the purchase of these railways by the dominion government, relieving the provinces concerned of their obligations in regard to the bonds of those railways, which were not paid, might have been an act of philanthropy on the part of the dominion government but certainly it did not lighten the burden on the Canadian National system. Let hon. gentlemen opposite figure up the interest burden, to say nothing of the capital expenditure, imposed on the country during their maladministration while they were in office. Let them remember also that they knew so little of what was going on that when the salaries that were being paid in Montreal were exposed in the select committee of the House of Commons—after this government came into office—the right hon. leader of the opposition said that he was astounded at these things, that he did not know such salaries were being paid. And the reason he gave for not knowing that such salaries were being paid was that he had always made the time-honoured answer in the House of Commons when questions were asked in regard to salaries, that it was not in the interests of the railway that the public should know what was being paid these men. I notice that my hon. friends across the way are not laughing now; they are getting back to tears of regret. This country must decide whether it is going to place the administration of these railways back in the hands of the Liberal party to be used for political preferment, for the purchase of branch lines which add to the burden of the railways, for the purpose of putting the railways even further into debt, or whether they are going to leave it in the hands of the trustees to be administered as a business institution instead of as a fifth wheel on the Liberal machine.

Mr. MACKENZIE (Vancouver): Keep on attacking the national railways; we understand why.

Mr. TURNBULL: I want to suggest to the hon. member for Vancouver Centre that no person is attacking the Canadian National. We are attacking the Liberal party for the abuse to which they subjected the Canadian National. My hon. friend from Vancouver Centre is very voluble now, but for the last week he has been glued to his seat under the directions of his leader, afraid to get up and express his own opinions.

Mr. MACKENZIE (Vancouver): Listening to a comedy.

Mr. TURNBULL: That has been the trouble with hon. gentlemen opposite. When they mismanage the affairs of the country they consider it a comedy or a joke, but we want an opportunity to let the people know about these things.

Some hon. MEMBERS: Hear, hear; bring on the election.

Mr. TURNBULL: That is why my hon. friends are anxious to have the election brought on, so that we will not have that opportunity.

Then there is the question of the social reform legislation. What is the attitude of hon. gentlemen opposite on that question? They have always approved of it in principle but never in practice. The unemployment insurance policy was in the 1919 platform, where it remained buried and forgotten. The right hon. leader of the opposition included it in the platform he enunciated in this house on February 27, 1933. He went through western Canada in the fall of that year proclaiming his unbounded faith in unemployment insurance, sickness, invalidity and old age insurance, crop insurance and everything else he thought the people of the west would be likely to vote for. Then, having done all that, he came down to the House of Commons and told the people that he had not brought in these measures because he did not know he had the power to do so. Could there be a more glaring deception practised on the people of Canada? We had the leader of a great party going out and telling the public for fifteen years that he was in favour of certain measures and that, if returned to office, he would fulfil his promises, at the same time thinking in his heart of hearts, according to his own statement, that he did not have power to do the things he promised or to provide those things which he was holding himself out to the people as being able to provide. My hon. friend from Vancouver Centre laughs that laugh of his again. That is Liberalism a la the present Liberal members of this House of Commons, but it is not Liberalism as the people of this country want to see Liberalism expounded and exposed.

Some hon. MEMBERS: Give them a chance.

Mr. TURNBULL: The Liberalism of hon. gentlemen opposite is just about as dead as unemployment insurance was in their hands; it was simply a name. During this session, as I have said, there have been three attempts to force dissolution of the house in order to prevent any major social reforms being passed. When social reform has been introduced hon. members opposite have received it with sneers and jeers. They proclaimed it—at least their leader did—as futile, useless and unconstitutional; then he twirled his thumb and they all got up and voted for this futile, useless and unconstitutional legislation, lest perchance the people might think they were opposed to it. What is going to happen to this social reform legislation, in the event of our immediately dissolving the house as requested by the financial critic of the opposition, and the people deciding, as my hon. friends seem to think they will, to put the Liberal party in office?

Mr. BELL (Hamilton): Where could they find one?

Mr. TURNBULL: They are going to be faced with a hostile senate, and with a hostile senate they cannot pass any social reform legislation at all. The only kind of legislation that they say they can send to the senate when it is hostile is legislation to repeal section 98 of the criminal code. They send it there because they are listening to their master's voice from the immediate left—

Mr. MACKENZIE (Vancouver): What about the Old Age Pensions Act?

Mr. TURNBULL: —and because they know their friends in the senate will defeat it there. The excuse was given, not by me but by members of the opposition themselves and by their leader, that the reason they could not bring in social reform legislation was that they were faced with a hostile senate. The Old Age Pensions Act was an exception to the general rule. In other words they can bring in those things that they want to bring, but the senate is a very fine excuse for anything they do not want to do. It is like a lie, an abomination to the Lord but a very present help in time of trouble.

Mr. MACKENZIE (Vancouver): To the Tory party.

Mr. TURNBULL: The other day when one of the social reform measures was being considered by the house the hon. member

for Quebec East (Mr. Lapointe) said it was glorifying the bill to oppose it. "There is nothing in it," he said; "let us pass it and get rid of it"—the same old sneer. Now I ask you, Mr. Speaker, would it be safe for the people of this country to entrust the operation of this reform legislation to those who sneer and jeer at it? Would it be safe, in view of their attitude, to leave its administration in their hands?

Mr. FRASER (Northumberland): The people will answer that.

Mr. TURNBULL: Let me remind my hon. friend from Northumberland, who seems to have found his voice, although he has not yet stood up to speak, that the party of which he is a member failed in their duty as a government from 1922 to 1930 and were dismissed from office and the Conservative party put in their place. Let me point out that they are now failing in their duty as an opposition, and the next thing will be that they will be dismissed as the official opposition and the Cooperative Commonwealth Federation put in their place.

Mr. MACKENZIE (Vancouver): You will be down there after the next election.

Mr. TURNBULL: There is yet an important item of legislation to come before the house in connection with the mass buying investigation. Can we safely trust this to the opposition? Had we better not put it on the statute books while those who are in favour of it are in office? What was the attitude of the leader of the opposition when the resolution to set up the price spreads and mass buying committee was brought in? At page 190 of Hansard for 1934 he is reported as saying:

> The motion is in large part one of postponing action. What the country is interested in is not so much further inquiry with respect to matters about which nearly everyone knows a great deal, but legislation, if more is required, to meet a situation that is already understood.

If my right hon. friend knew that these conditions existed, he did not pass legislation to stop them, but referred to a book long since on the shelf, entitled Industry and Humanity. Having said that there was no necessity for investigation, he then says: "There is no necessity for any legislation in connection with it; so there was no necessity for either investigation or legislation. While the investigation was still going on the leader of the opposition spoke during a by-election in Ontario and described the whole investigation as humbug. His words were reported in the press as follows:

> Once again, but briefly, Mr. King referred to the Stevens pamphlet. He believed that there was "collusion" between Prime Minister R. B. Bennett and Hon. H. H. Stevens, in this matter —"more in the nature of humbug to serve the political ends of Mr. Bennett and the personal ends of Mr. Stevens."

With that attitude towards the mass buying commission and the legislation to be brought forward would it be safe for the people of this country to entrust such legislation and the administration of it to those who say it was all unnecessary?

Mr. BELL (Hamilton): Would it be safe to entrust them with anything?

Mr. TURNBULL: Take their general attitude towards these questions. Let me quote from Hansard of June 6, 1934, page 3727, where the leader of the opposition is reported as saying:

> Yesterday the house was told by the hon. member for Bow River (Mr. Garland) that my colleague the ex-Minister of Justice (Mr. Lapointe) and myself belonged to the school mid-Victorian constitutionalists; and that was held out as a reproach. To those who so assert, may I say that I for one am very proud of being classed of the school of mid-Victorian constitutionalists.

Then there is the question of wheat marketing. During the war we used to hear arm chair generals telling how to defeat the enemy. Many of us were very glad that the arm chair generals were not in command of the forces. The other day we had an arm chair wheat merchant telling us how to sell our wheat. We heard him telling how Mr. McFarland was trying to glorify himself instead of taking care of the farmers' troubles. Picture the hon. member for Shelburne-Yarmouth sitting in his gilded office in St. James street with one of his imported fifty-cent cigars in his mouth and his feet on his mahogany table, advising the farmers of western Canada how to sell their wheat, and the hon. member for Northumberland (Mr. Fraser) who never bought or sold a bushel of wheat in his life except on the stock exchange, telling us how the hon. member for Shelburne-Yarmouth could make a better job of it than Mr. McFarland.

Mr. FRASER (Northumberland): He could not make a worse one.

Mr. TURNBULL: If they keep up that sort of thing they are going to turn every farmer in western Canada against them. Anyone who suggested, when the British market was rising four times as fast as Winnipeg, that the plug should be taken out and wheat allowed to drop to the Argentine level.

thereby further destroying the purchasing power of the farmers of western Canada, has very little knowledge of the trend of thought of the people of the west, and very little knowledge of the effect that the buying power of western Canada has upon employment in eastern Canada. My hon. friends are laughing and jeering still, as they sneer and jeer and laugh at anything. There is no doubt the farmer will get over his troubles even if they do laugh. The job of official opposition should be taken from them and given to the Co-operative Commonwealth Federation if they carry on in this way. In 1928 we had approximately 550,000,000 bushels of wheat in western Canada that sold for approximately $1.25 a bushel, which meant about $675,000,000 of new money. That money came into Ontario and Quebec to buy boots and shoes, clothing, machinery, automobiles and practically everything the farmer requires. When he paid the interest on his mortgage the money came to eastern Canada and was distributed among the bond and stock holders of mortgage companies, who used it largely for the purpose of purchasing the necessaries of life for themselves, and these purchases kept the wheels of industry turning in the central provinces and kept men and women at work. But in the last four or five years when providence did not see fit to send us a crop and when in the absence of an imperial treaty Soviet Russia broke the price of our grain in England, we had about 260,000,000 bushels of wheat, which was selling at 40 cents a bushel, and instead of having $675,000,000 in new money we had about $100,000,000, or a little more, which was not sufficient to keep the people of the central provinces employed. As a consequence unemployment became rife in all parts of the country.

I say to you, Mr. Speaker, that because of these facts there is no reason why there should be an election at the present time; there is no reason why the party now in office should not continue to carry out its program, and no reason why that program should not be placed before the electors in the proper way and at the proper time. We have had the statement by the hon. member for North Bruce (Mr. Malcolm), a former Minister of Trade and Commerce, that wheat would find its own market if it were left alone. That view is confirmed by the hon. member for South Battleford (Mr. Vallance) who states, "Just leave wheat alone, and it will do what it likes." That is what the opposition has done with everything else. When they were in office they let everything do as it liked, and as a result the country got in a mess. Now in opposition they suggest that wheat should do as it likes.

Mr. SPEAKER: The hon. member has spoken forty minutes.

Some hon. MEMBERS: Question, question.

Mr. BELL (Hamilton): Get up and answer; you can't do it.

Mr. J. B. SWANSTON (Maple Creek): Mr. Speaker, I have the honour to represent in this chamber a very extensive and important constituency in southwestern Saskatchewan. Comparatively speaking it is one of the newest sections of this great country. To the southwestern portion of Saskatchewan there flocked many new settlers, men and women who were born and raised in many different sections of the globe. Canadians from every part of Canada are to be found there; people from every corner of the British Isles, from France, Belgium, Germany and the United States. Then, a very substantial part of our population is of Scandinavian origin, and the country is fortunate indeed to have as citizens men and women as honest, as progressive and as law-abiding as they are.

These new settlers from all lands have entered upon their duties of making homes for themselves and breaking the virgin soil. In a very short period of time they have accomplished by way of individual development and community effort that which I say is the greatest possible tribute which could be paid to their progressive character. In the short space of a quarter of a century an area which had been untouched by the plough was suddenly changed into an active and well ordered community with beautiful churches, schools, power houses, public buildings, highways, railways, telephones, first class farm homes, and an extensive elevator system.

You will agree with me, Mr. Speaker, that this development could be brought about only by mortgaging the future to some extent. Money was borrowed, goods were purchased on credit, lumber was purchased and farm machinery was acquired to improve the land. Just at a time when we thought the difficulties of the district were almost surmounted there came upon us the depression with its low commodity prices. Then followed adverse climatic conditions seriously affecting the area. The people in that section of the country met their difficulties with courage and fortitude. They maintained their school and church services, they maintained their community services—and this all in the face of sacrifices which had to be borne individually and collectively.

At the last session of parliament the Farmers' Creditors Arrangement Act was passed. It was not until some months after its passage that the preliminary organization could be established. We know now what its effect will be, what it will do in the future for the people on the land. In my section of the country there is only one official receiver, and he is very busy. It is impossible for him to do all the work devolving upon him, but I have urged upon the Minister of Finance (Mr. Rhodes) the necessity for arrangements whereby help may be given and the facilities of the legislation made more readily available to the farmers. I am pleased to say the minister has received my representations and is going to appoint agents to assist the receiver in that section of the country.

The purpose of the Farmers' Creditors Arrangement Act is to create an understanding between debtor and creditor. Unfortunately in the past such understanding had disappeared or was fast disappearing, due to the fact that the farmer through no fault of his own was unable to pay and the creditor was unable to collect. There was a tendency on the part of each to magnify his own difficulties, without regard to the other party. However, with this legislation they can get together around a common table; they will appreciate the fact that each has his own difficulties, each has his problems, and that the problems of both can be met only by the farmer being retained on the land as an efficient producer.

When I learned from the Minister of Finance that up to the end of February over two thousand settlements had been effected throughout Canada by the official receiver and by the boards of review, I realized how successful this great experiment had been. When I read the principles announced by the boards of review in the prairie provinces I am convinced that the legislation is going to function as was intended when it passed this parliament a year ago.

For instance, I learn from the joint pronouncement of the three prairie boards of review that they consider the farmer who is reasonably endeavouring to farm his land efficiently and who has been fair and honourable with his creditors is entitled to consideration. I find, further, that the boards of review are interested in seeing that the carrying charges to the farmer are reduced. In the classification of debts they believe special consideration is due in connection with those debts incurred for the necessities of life. This is as it should be. In my opinion a retail merchant who has carried a farmer through difficult times and has furnished him with food and clothing is entitled to further consideration. I would urge upon the minister consideration of an amendment to the Bankruptcy Act which would extend to retailers the informal procedure of arrangement and adjustment of debts as is available to farmers under the Farmers' Creditors Arrangement Act. This legislation is new, but it constitutes a real reform, and if carried out by receivers and boards of review—and apparently that is being done—it will mean much for the happiness and the contentment of farmers throughout Canada.

Then, at the last session of parliament amendments to the farm loan act were passed, and further amendments have been passed at the present session. The people in Saskatchewan cannot benefit by the amendments of last year because there was no immediate session of the legislature in Saskatchewan adopting the legislation, and while in fact the legislation was passed, it did not become law until December, 1934. Then came the amendments made to the farm loan act during the present session. The $90,000,000 available through the farm loan board will be of great assistance to the farmer. The farm debt of Canada exceeds one and a half billion dollars. A comparison of these figures would indicate that every farmer could not expect a loan. However, either under one act or the other, so far as his indebtedness is concerned the farmer should be in a position to face the future without fear. Carrying and fixed charges must be reduced, and if we can obtain reasonable commodity prices the farmer will experience no difficulty in meeting his obligations as they become due.

I was glad to hear from the Minister of Finance (Mr. Rhodes) that he intends that there shall be the closest cooperation between the official receivers appointed under the Farmers' Creditors Arrangement Act and the farm loan board, once it is established in the province of Saskatchewan. The official receivers will have an intimate knowledge of the condition of the farmer and can be of very real assistance to the farm loan board and to the farmers as well. As a result of the operation of both of these acts the farm debt load in Canada is going to be very materially decreased. I have learned with the greatest interest of the success which the receivers are having in my own part of the country in reducing and rearranging indebtedness which has been all past due and in default.

During a period of high prices for commodities, the price of land naturally rose. Farmers, anxious to extend their own holdings, either for their own use or for the use of their growing sons, found themselves hopelessly involved because of agreements they had entered into. Likewise, they found themselves involved in debts for heavy machinery purchased for the purpose of farming the land, which, with poor crops and low commodity prices, they could not liquidate.

I am glad to note that in dealing with these large obligations of the farmers, the official receivers are making special efforts, that the boards of review are making very real adjustments, and that the net result is that the farmer, with his new set of contracts, can proceed to farm his land with the satisfaction and the knowledge that he can reasonably perform the new obligations he has assumed.

The last census figures indicated that there were in Canada 728,000 farmers. Of this number, almost 90 per cent could be termed by the census authorities as home owning farmers. We are all proud of this fact. As Canadians we believe that our people will be better satisfied, better contented, if they can carry on their agricultural endeavours as owners of their own land. It will be apparent, however, that with the tremendous farm debt load to which I referred there is a very real danger of that very high percentage of home owning farmers being reduced either by being forced off the land by their creditors, or by losing hope and giving up their land.

The legislation which was passed at the last session of parliament and the legislation to which I have referred which was passed at this session was definitely for the purpose of retaining a high percentage of home owning farmers in this country. That is what the farmers want themselves; it is what this government wishes as well. There is a traditional desire on the part of every British subject to own his own land or his own home. This comes to us through the generations that have passed. The same is true of many farmers in my own constituency who have come from other lands. They have come with a traditional desire to own their own land. Then to the great province of Saskatchewan many thousands came from countries where they could not own their own land, and they came to this land of hope knowing that here there was not only the possibility of owning their own land but that they would live in communities where the same desire existed, and furthermore, that they would live in a country where by legislation this desire would be encouraged.

At the last session of parliament there was passed after very considerable controversy what is known as the Natural Products Marketing Act. This legislation was designed to secure for farmers in Canada a more orderly marketing system than the system which obtains at the present time and one which would result in financial advantage to the farmer without being unfair either to the distributor or to the consumer of these products. It was felt that in handling the product of the farmer there was manipulation and exploitation, and that it was necessary that there should be a regulation of the movement of products so that prices might be fairer and that they might be stabilized at a fair level.

I know that in the urban centres particularly it was urged that should the measure be a success in so far as the farmer was concerned, it would mean higher prices to the consumer. Fortunately, we have some experience to go by in this country in the matter of orderly marketing. In the province of British Columbia for some years the marketing of their fruit was controlled. Following a decision of the courts that control was lost, and in comparing the return to the producer during the years of control with the cost to the consumer, it was definitely found that with control and regulation the producer was getting more, with no increase in cost to the consumer, whereas the consumer was getting a better product in that the effect or control was to raise the standard of the product which the consumer could obtain.

The Natural Products Marketing Act has now been in force for almost a year. A number of schemes have been suggested and have been approved. More than a score of others are before the marketing board at the present time for consideration. The experience of the fruit farmer, of the tobacco farmer, and of the fisherman has fully justified the passing of the legislation and fully justified the confidence which the government had in the legislation as a method and a means of curbing abuses and preventing the exploiting of the primary producer. Experience will no doubt indicate that certain improvements will still have to be adopted and the act and the regulations in due course amended, but what I want most emphatically to say is that the law has justified itself as a means of obtaining for the producer the greatest possible reward for his labour, and at the same time

the consumer will be obtaining a better product without any substantial increase in cost to him.

In my own province many men who at first were definitely opposed to the principle of the marketing bill are now as strongly in favour of the act, and in the cattle industry almost without exception the rancher and farmer who produces cattle for market looks to the marketing act as the agency not only to improve his condition, but once it is improved, to continue the improvement and give some degree of confidence for the future.

If there is one commodity in which the people of the province of Saskatchewan are interested it is wheat. In 1930 not only the national situation but the international situation was such in the matter of wheat that a very direct interest had to be taken in the handling of wheat by the government of Canada, or, poor as the returns were to the wheat grower, they would have undoubtedly been much lower. The government in backing John I. McFarland in the stabilization policy which he was supporting undoubtedly was successful in putting into the pockets of the western wheat farmers millions of dollars which otherwise they could not have had. It is even difficult to imagine how the work could have been carried on at all, or how the companies could have operated, had not this stabilization policy been adopted. Those who are critical of that policy and who would change it completely say that the result of it has been that the farmer has been receiving a fictitious price for his grain. In plain English, they say that the price the farmer received is higher than he should have been receiving. They are going to change all that. They are going to eliminate the fictitious prices so if those who criticize the policy of the government in wheat are put in the position where they can determine the policy, there is nothing surer than that the price which the farmer will receive for his wheat will be very substantially lower than the present levels. The wheat farmer should keep this clearly in mind. If he wants a lower price for his product there is one sure way of getting it—change the policy of supporting John. I. McFarland which has been followed by this government.

Another feature of the policy of this government in connection with grain which I support wholeheartedly is the providing of a better distribution of grain acreage. A market can be found for more barley in Canada and in Europe, and we also need more oats in Canada. The sensible policy is the one advocated by the Department of Agriculture for the better distribution of grain acreage and the putting of some of the acreage now in wheat into coarse grains. The district in which I live is interested not only in wheat farming but in the raising of cattle and sheep. We have had a drought in the last few years but in view of the snowfall of the present winter we hope that this is broken. However, we must consider what can be done in order to prevent a recurrence of drought conditions. We must give consideration to those policies which will prevent if possible a recurrence of the extreme drought conditions of the past few years.

It must be borne in mind that the range or grazing areas from the Rocky mountains to the dirt hills in Saskatchewan are seriously overgrazed. Another serious drought this year will spell disaster to many of those in the business. They will be forced to market unfinished grass cattle, and herds which have taken years to build up will have to be sold. What will be true of the rancher will be true also of the farmer. The drought has been a costly proposition to everyone concerned—to the farmer, to the municipality, to the province and to the dominion. It has been suggested that there be free freight on feed, but there is no such thing as free freight. Someone must pay, and the state has been paying. In the last analysis the taxpayer is called upon to bear the expense of millions of dollars which has been incurred in taking care of the relief feed requirements caused by the drought. Remedial measures must be taken to correct this situation and improve the stability of farming and ranching in these districts.

There are three essential factors in the production of live stock—grass, water and winter feed. A sound water development policy will go a long way to stabilize the industry and bring about security against feed shortage and serious death losses of live stock. I am glad to support the policy of the government as announced by the Minister of Agriculture (Mr. Weir) to provide for experiments in the so-called drought areas. This will include the building of dams and the impounding of water in reservoirs. It will take care of spring flood conditions and conserve spring run-off water. I suggest that particular consideration be given to simple community irrigation projects. I urge the government to consider a scheme which has been suggested on the Whitemud river in southern Saskatchewan, and I hope a favourable report can be made in this connection.

The dominion experimental farm at Manyberries, Alberta, has done some splendid research work in connection with water development. During the past eight years the station's only source of water has been the reservoirs. There has been a little snow but the summers have been dry. However, because of the water policy which was followed it was not found necessary to move the stock to water, as water was always available within a distance of two miles. The United States government is keenly interested in what has been done in Canada, and I am informed, I believe authentically, that the government of the United States is constructing 700 dams in Montana and North Dakota. If the drought period is broken, as conditions this winter would indicate it is, I contend that this would be the time to construct the necessary dams. The time to prepare for another drought period is during the time of ample rainfall so that there may be that conservation of water so necessary in a dry period.

I would point out that the construction of dams is not expensive. Most of the labour can be obtained locally and the expert engineering expense can be kept low. The station at Manyberries has harvested eighty tons of hay per year from forty acres of land. If water had not been available at the critical dry periods, no crop would have been obtained. I have obtained some figures of the cost of the type of reservoir constructed at Manyberries. The figures, which are for two dams known as C.23 and A.29, are as follows:

	C. 23	A. 29
Date of construction	Oct., 1927	Oct., 1927
Capacity of reservoir, acre feet	18.5	5
Type of soil	Loam	Clay
Surface acres of water	4.6	1.2
Average annual run-off	20 acre feet	12 acre feet
Drainage area	640 acres	320 acres
Height of dam	16.0 feet	10 feet
Length of dam	270 feet	165 feet
Width at top	8 feet	8 feet
Freeboard	3 feet	3 feet
Depth of water	13 feet	7 feet
Yardage of dirt, cubic yards	3,517	350
Cost per yard	20 cents	20 cents
Type of rip-rap	Part rock	Rock
Cost of rip-rapping	$26	$10
Total cost of dam	$729.40	$80
Cost of repairs for one year	$20	$10
Loss of water, per yard	2.5 feet	3.5 feet
Permanency	100%	95%

The hon. member for Shelburne-Yarmouth (Mr. Ralston), the chief financial critic of the official opposition, was particularly critical of the wheat selling policy of the government and especially of John I. McFarland. His argument is that the prices paid during the past year for wheat have been out of line with world prices. He infers that the price of wheat is too high. The official opposition say: Put us in office and we will change all that; we will see that prices are more in accord with world prices. In short, that they will be lowered. This is a hopeful promise from the Liberal party to the western voter. It would appear that the official critic is making a bid for the support of the big interests in St. James street, Montreal, where he is now located. When it comes to choosing between the Prime Minister (Mr. Bennett) and the leader of the opposition (Mr. Mackenzie King) I think the western farmer and everyone dependent upon him will know how to vote, especially when the wheat question is considered.

Let us consider for a moment the record of the Liberal government from 1922 to August, 1930, in connection with wheat and markets for wheat. In 1922 the Liberals took office under their present leader, following a Conservative prime minister, Mr. Meighen. They were given the legacy of free markets for our wheat in France, Germany, Italy, Belgium, Greece and all other European countries. After nine years of Liberal rule, a rule which boasted of freer and wider markets—they offer the same thing if they are again returned—what did we find? We found that the free markets left by the Conservatives had disappeared, to be replaced by the highest tariff wall ever placed against Canada. When the Conservatives took office in August, 1930, there was a duty of 85 cents per bushel against our wheat entering France; the duty

on our wheat entering Germany was 92 cents per bushel; it was 90 cents per bushel against it entering Italy, and so on down the line. That is the record of achievement by the Liberal party. Because of a fear of provoking someone, they permitted the United States to build up a prohibitive tariff wall against our butter, our eggs, our cattle and everything else we produced and had to sell. The western farmer knows that this depression took place twelve months before the Conservative party came into office, and the prices of farm products were rapidly tumbling. He knows that during the last year of Liberal rule the price of wheat dropped from $1.55 to 80 cents a bushel before this government came into office. Everything was in chaos, and the personal effort of that greatest of Canadians of whom we are all so proud, the Prime Minister of Canada, was necessary to prevent even more serious consequences of world conditions affecting this country.

Mr. FRANK BOYES (East Middlesex): I take this opportunity of congratulating the Minister of Finance (Mr. Rhodes) on the excellent budget which he has presented to this house, a budget which will be favourably received throughout the dominion. I have the honour of representing a riding located in the western part of Ontario and known as East Middlesex. The population of the riding is partly rural and partly urban, and I consider it my duty to speak on behalf of all classes of people in that community. This duty has been comparatively easy in view of the fact that the Prime Minister (Mr. Bennett) and the government have been thoughtful of both classes. I want to take this opportunity to thank the government for the erection of a new federal building in the city of London, something that has been needed for a great many years. It will assist materially in the relief of unemployment. I thank the government and the Canadian National Railways for the erection of a new station at London. This also was very much needed and it will assist in relieving unemployment in that city. I thank the government also for having complied with the request I made for extensive repairs to Westminster hospital. The work has been done and has relieved the unemployment situation to some extent. I am of opinion however that further repairs should be made to this hospital, and if this were done it would also tend to relieve unemployment.

I have great sympathy for the man who goes to work carrying his dinner pail but I have greater sympathy for the man who is unemployed, and I wish to thank this government for the legislation it has enacted for the relief of unemployment. In 1930, shortly after this government came into power, a session of parliament was called and the sum of $20,000,000 was granted to take care of the unemployment situation. Under the relief legislation of 1930 the sum of $18,140,998 was spent. Under the relief act of 1931 the expenditure was $42,709,418; under the relief act of 1932 it was $25,887,992; under the relief act of 1933 it was $30,678,381; under the relief act of 1934 it was $42,519,758. This made a total of $159,936,548.74. This is a very admirable record when you consider that the former government had intimated through its Prime Minister that not even five cents would be spent for the relief of unemployment. I am sure that the man who goes to work in the morning carrying his dinner pail or the fellow who is unemployed will be thankful indeed for the assistance which this government has granted to enable him to keep himself.

As regards the dominion contributions to the province of Ontario for relief, I wish to place on Hansard the amounts which have been granted for that purpose. The statement has been made by a good many people and has been broadcast throughout the country that the dominion is not granting relief to Ontario. The figures which I am going to give will disprove this statement. Under the relief legislation of 1930 the amount spent in Ontario was $5,292,180; under the relief act of 1931 it was $12,537,932; under the relief act of 1932 it was $8,117,562; under the relief act of 1933 it was $12,192,429; under the relief act of 1934 it was $15,990,950, or a total of $54,131,055.78. This is the sum which has been spent in Ontario since this government came into power, and I have no hesitation in saying, judging from the remarks made by the former prime minister, that had his party been returned to power not one dollar would have been spent for the purpose.

Coming nearer home, I want to show the amounts granted in the municipalities included in the riding I represent and also London. In the year 1930 the amount spent in the city of London was $124,772, and in the township of London, $1,000, while in the township of Westminster the expenditure was $611. In 1931 the expenditure in London was $242,596, in the township of London, $1,329, and in the township of Westminster, $1,150. In 1932 the expenditure in London was $168,861, in the township of London, $2,951, and in the township of Westminster, $3,533. In 1933 the expenditure

in London was $232,976, in the township of London, $2,043, and in the township of Westminster, $1,977.

Mr. ELLIOTT: I wonder if my hon. friend would give the amounts spent in the other townships in the county of Middlesex during the same period.

Mr. BOYES: I have not those records, but I am speaking of the places where the larger amounts of money were spent. In 1934 the sum of $168,025 was spent in the city of London, $2,511 in the township of London, and $2,158 in the township of Westminster. There are other townships located in the riding which I have the honour to represent. Smaller amounts were spent in those townships as smaller amounts were requested. In reply to the hon. member for West Middlesex (Mr. Elliott) I may say that my view is that any township that made application for a grant for that purpose had its request met reasonably well, and I think the same situation exists in the riding represented by the hon. gentleman.

There are large numbers of men as yet unemployed. However, there is improvement shown in this connection also. In 1933 there were 610,763 men in Canada without jobs, while in 1934 the number fell to 502,819. So that we are moving in the right direction, and I believe that in the near future, with conditions continuing to improve, we will be relieved of this problem of unemployment.

Now for a few moments I should like to deal with the legislation brought in by this government in the interests and for the protection of the farmers. As all hon. members know, during the election campaign hon. gentlemen on this side told the farmers that protection should be extended not only to those interested in industry but to the products of the farm as well. I am very glad to state that this protection has been afforded. I should like to place on Hansard a table showing the duty imposed by the previous government, as contrasted with the duty imposed by this government on a number of agricultural commodities:

	Previous duty	Present duty
Live hogs	1½ cents per lb.	3 cents per lb.
Cattle	25 per cent	3 cents per lb.
Sheep and lambs	25 per cent	$3 each
Fresh meats	3½ cents per lb.	8 cents per lb.
Bacon, hams, shoulders and other pork	2 cents per lb.	5 cents per lb.
Eggs in the shell	3 cents per doz.	10 cents per doz.
Cheese	3 cents per lb.	7 cents per lb.
Butter	7 cents per lb.	14 cents per lb.
Peas	15 cents per bush.	1 cent per lb.
Oats	10 cents per bush.	16 cents per bush.
Rye	10 cents per bush.	15 cents per bush.
Wheat	12 cents per bush.	30 cents per bush.
Hay	$2 per ton	$5 per ton
Potatoes	Free	75 cents per 100 lbs.
Milk and cream	17½ per cent of value	25 per cent of value

I feel, Mr. Speaker, that the farmers needed this protection, and I believe they have derived considerable benefit from it.

Then I should like to say just a word in regard to grain. It is true that prices have not been as high as we would like, but through the stabilization of the price of wheat in Winnipeg I feel that the farmers of Ontario have obtained better prices for their wheat than they would have received otherwise. I should like to direct attention to the fact that since these duties have been imposed on farm products entering this country, our imports have decreased, as follows:

	1930	1934
	Bushels	Bushels
Wheat	1,146,310	16,703
Oats	3,725,948	34,286
Barley	14,255	1,007
Rye	256,957	107

This speaks well for the action taken by this government; I feel confident that the farmers of this country have benefited very materially thereby, and I am sure they are thankful. Further benefits were conferred on the farmers through the imperial conference agreements, under which preferences were granted on dairy products. On cheese this preference amounted to 15 per cent ad valorem, on butter to 15 shillings per 112 pounds; on condensed milk, whole, sweetened, in addition to sugar duty, 5 shillings per 112 pounds; on evaporated milk not sweetened, 6 shillings per 112 pounds, and on milk powder and other preserved milk not sweetened, 6 shillings per 112 pounds.

I should like now to say a word in connection with the whole milk situation in the province of Ontario. The board appointed by the former provincial government saw to

it that those producing milk for city consumption received a fair price, and I believe they were in a fairly good situation. In regard to butter, when this government came into power the situation was very bad indeed; butter was being imported and as a result the price was very low. In 1930 our imports of butter amounted to 41,919,372 pounds, while in 1934 that importation dropped to 2,602,744 pounds. At present the producers of butter in Canada are almost able to take care of our requirements, and they are receiving the benefit of the whole Canadian market.

I should like to say a word in regard to the production of cheese in Canada. We have the very finest cheese in the world with the exception of a cheddar cheese which is manufactured in England. Practically all the cheese used in local trade and all that is exported is grated by the official government grader. In 1933 the percentage of No. 1 cheese in all Canada was 94·87, while in 1934 the percentage of No. 1 cheese increased to 95·53. Ontario is divided into four sections, the main ones being eastern, central and western Ontario. The average percentage of No. 1 cheese in eastern Ontario was 95·45 in 1933 and 95·61 in 1934, which is a very creditable showing. In central Ontario the average percentage of No. 1 was 97·76 in 1933 and 98·06 in 1934, which is a better record than eastern Ontario. In western Ontario, in which is located the riding I have the honour to represent, the average percentage of No. 1 cheese was 99·02 in 1933 and 98·99 in 1934. So you can see that the cheese manufactured in the western part of the province is some of the very finest manufactured in any part of Canada. But while these figures show that we are manufacturing the very finest quality of cheese in the dominion, yet the price is not as high as we should like. The price for export has been down to some extent. During the fall of 1934 the national dairy council conceived the idea of specially advertising cheese during a cheese week in Canada. During this week a considerable amount of advertising was done in order to increase home consumption. I assisted in the campaign by speaking at a number of meetings, and I believe some good was done, as the market for cheese in Canada to-day is higher than it was a year ago. Another plan has been devised by the national dairy council, that of seeking through the marketing board to stabilize the market for cheese in Canada. The secretary of the council attended a number of dairymen's conventions, and a resolution was passed by a number of conventions to this effect:

[Mr. Boyes.]

This meeting approves of the establishment of a scheme under the Natural Products Marketing Act for the election of a board with power to levy on butter fat to all markets for the formation of a fund to support the marketing of those dairy commodities which may be best adapted as a means of exporting our surplus dairy products.

This was promoted to quite an extent, but I believe it was not started early enough in the season. I think that when it is thoroughly understood by the dairymen of Canada they will take up the proposition and all dairy products will benefit.

Then those who are producing beef have been enabled by this government to secure a sale of their cattle in the old country. I regret that more have not been shipped; at the same time some benefit has been derived. I regret very much that producers of cattle in the riding which I have the honour to represent were so unfortunate as to sell their cattle to the Richelieu Corporation of Montreal and a number of them received no payment for their cattle. I believe that the Richelieu Corporation did not intend at the time to pay for those cattle, but I am hopeful that some remuneration may be obtained from some of those who were connected with the company. I understand certain of the officials have been arrested and will have to stand trial.

Another advantage that this government is endeavouring to secure for the farmers is under the provisions of the Canadian Farm Loan Act. I regret very much that during the last half of 1934 and up to the present the farmers in the riding I represent have not been able to secure loans from the province of Ontario. I do not know whether loans were procurable in some other parts of the province, but I know of none being obtained in that part. Very many have been inconvenienced by this situation and some have been embarrassed to the extent that they may be put off their farms. Therefore I am very glad that the federal government is making provision that loans may be available. I would ask the government to make the rate of interest on such loans as low as possible. I feel sure that they will do so, as the farmers are not making sufficient income to pay a high rate of interest.

On motion of Mr. Boyes the debate was adjourned.

At eleven o'clock the house adjourned without question put, pursuant to standing order.

Wednesday, April 3

The house met at three o'clock.

NORTHERN TELEPHONE COMPANY

Mr. A. C. CASSELMAN (Grenville-Dundas): Mr. Speaker, I beg to move:

That the petition of the Northern Telephone Company, Limited, presented on the 2nd instant, praying for an act of incorporation, together with the report of the clerk of petitions thereon, be referred to the standing committee on standing orders for the purpose of considering the suspension of standing orders 92, 93 (3) (a) and (c), and 95 (1) in relation thereto.

Motion agreed to.

RAILWAYS AND SHIPPING

Hon. R. J. MANION (Minister of Railways and Canals): Mr. Speaker, I beg to move:

That the order referring to the committee of supply, the estimates respecting the Canadian National Steamships and the Maritime Freight Rates Act, presented to the house on the 18th of March, be discharged, and that the said estimates be referred to the select standing committee on railways and shipping owned, operated and controlled by the government.

This motion is merely to get the estimates before the committee to-morrow.

Motion agreed to.

INDUSTRIAL AND INTERNATIONAL RELATIONS

MOTION FOR CONCURRENCE IN COMMITTEE'S REPORT RESPECTING PENSIONS FOR THE BLIND

Mr. F. W. TURNBULL (Regina) moved concurrence in the second report of the standing committee on industrial and international relations presented to the house on Monday, April 1, 1935, as follows:

Your committee have held two sessions and have heard statements from eleven persons, with respect to the subject matter of the resolution referred to it for consideration under an order of the House of Commons, dated January 31, 1935, which resolution reads as follows:—

"Resolved that in the opinion of this house the provisions of the Old Age Pensions Act should apply to blind people over forty years of age."

As persons seventy years of age and over, whether blind or not, fall within the application of the Old Age Pensions Act in its present form, your committee considered the position of blind persons between the ages of forty and seventy.

Evidence submitted to the committee indicated that the Old Age Pensions Act is in force in only seven provinces out of nine and its provisions, therefore, when amended will not affect blind persons living in the remaining two provinces unless these provinces subsequently adopt the Old Age Pensions Act or the proposed amendments thereto.

It also indicated that records of organizations interested in the blind placed the number of the blind between forty and seventy years of age at 3,016. After making fair deductions it was stated that 2,178 persons would be affected by legislation requested by the said resolution. These figures are sufficiently in harmony with census returns to be considered reasonably accurate.

The estimated expenditure occasioned by the proposed legislation, if the above figures are accurate and allowing the maximum of $240 per person per annum, would be under $550,000 apart from administration expenses.

The committee regrets that the terms of the resolution, if acceded to, will be of no assistance to blind persons residing in the two provinces of Canada in which the Old Age Pensions Act is not in effect, nevertheless in order that the blind people shall be assisted as far as reasonably possible, desires to express its approval of the resolution in question.

Mr. I. D. COTNAM (North Renfrew): Mr. Speaker, as I moved the original resolution with respect to pensions for the blind over forty years of age, after following the evidence adduced before the committee on industrial and international relations I have come to the conclusion that the original resolution fails to meet entirely the situation which it was intended to meet. The Old Age Pensions Act has never been adopted by the provinces of Quebec and New Brunswick. I find that there are some 166 blind persons over forty years of age in the province of New Brunswick and some 720 blind persons over forty years of age in the province of Quebec. This makes a total of 886 individuals who would not receive any benefit from the resolution as submitted to the house. In view of that fact, I move, seconded by the hon. member for South Renfrew (Mr. Maloney):

That the words "concurred in" be struck out and the following substituted therefor:

"Referred back to the said committee with instructions that they have power to amend same by recommending that the house pass a special blind act, applicable to the nine provinces of the dominion and providing pensions for the blind over forty years of age, on the same basis as the Old Age Pensions Act.

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, the hon. member who has just sat down (Mr. Cotnam) has anticipated a motion which I had drawn up to submit to the house. My motion was of a similar character but I believe it was a little more definite. The report of the committee which will be found in votes and proceedings of the day before yesterday recites the resolution introduced by the hon. member. This resolution reads:

Resolved that in the opinion of this house the provisions of the Old Age Pensions Act should apply to blind people over forty years of age.

The report then goes on to comment upon the fact that the Old Age Pensions Act does not apply throughout Canada. The report estimates that the cost of these pensions would be $550,000 per year. What might be called the enacting part of the report reads as follows:

The committee regret that the terms of the resolution, if acceded to, will be of no assistance to blind persons residing in the two provinces of Canada in which the Old Age Pensions Act is not in effect, nevertheless in order that the blind people shall be assisted as far as reasonably possible, desires to express its approval of the resolution in question

I had intended to combat that statement on the ground that we were not following the instructions given to us by the house and were taking a too superficial notice of the question. The report says that we express approval in order that the blind people may be assisted as far as reasonably possible. I submit that this report does not go "as far as reasonably possible." The most obvious objection is the fact that the report does not cover thirty-six per cent of the blind population of Canada. It will be found that the blind population of New Brunswick and Quebec amount to thirty-six per cent of the total blind population of Canada. No report could be fair or reasonable or equitable which overlooked thirty-six per cent of the people it was intended to help.

The committee had three meetings, two of which were taken up in the hearing of witnesses, mostly blind people or representatives of the blind. A subcommittee was appointed to prepare the report and the report was presented at the third meeting. I took it upon myself to criticize the report and two arguments were presented in its favour. The first was that the terms of the reference bound us merely to say yes or no, that we had to say that we were prepared to put the blind under the Old Age Pensions Act, or we had to say that we were not prepared to do that. I believe the hon. member for East Edmonton (Mr. Bury) took the opposite view, but that idea prevailed. I submit that such a contention is absolutely contrary to the practice which has prevailed for many years. If such a contention is to be accepted it will mean that most of the references to committees will be merely jokes. We would be confined to such a narrow compass that it would be impossible to consider any subject as it should be considered. If this report is to be only an expression of sympathy, that has been given already by means of the original resolution. I should like to refer to Hansard to show the feeling of the Minister of Labour (Mr. Gordon) who will have the handling of this matter. During the discussion on the resolution he said:

Personally I do not think an amendment to the Old Age Pensions Act would be the most satisfactory method of dealing with a question of this character. The Old Age Pensions Act is legislation of which some provinces avail themselves, others do not. If this resolution results in legislation it might well take the form of a special act, dissociated from old age pensions.

He concludes by saying:

—and I would ask the hon. gentleman who introduced the resolution to move that it be referred to that committee in order that they may take it into consideration from the angles I have suggested and others, because it is an important matter.

It was quite evident that the feeling of the minister and the house was that we should consider this matter from all angles. We did not consider it from all angles.

The second argument offered for the putting through of the report was that the report was recommending what the blind people themselves had asked for. It was argued that we could best protect their interests by giving them that for which they asked. I submit that that is not the correct position. These people did not understand the Old Age Pensions Act; they did not realize its limitations. They were not legislators, they were not even lawyers and they could not grasp the restrictions of this legislation. If our children ask for something which we know is unsuitable and improper we do not give it to them no matter how great our affection may be. The blind themselves speak differently. In their submission they do not ask specifically to come under the Old Age Pensions Act; they ask for a pension for the "necessitous and unemployable blind." The inference is that if they were employable they would not be so keen to ask for a pension. They asked that special consideration be given to the unemployable blind of any age. We never considered that aspect at all. They asked that they be taken care of by a bill, separate from the Old Age Pensions Act if possible, but we never embodied that consideration in the report.

Mr. ARTHURS: That was suggested by the minister.

Mr. NEILL: Yes, and it is suggested by the blind people themselves. We have full authority for this both from the minister and from the blind themselves.

There is another reason why I believe the report is not complete. I think we should consider whether or not it is best to pension a man of forty years of age who happens to be blind. Such a man may be in full possession of all his faculties other than that of sight. A blind man cannot take much exercise, he can read only Braille and yet we are going to give him a miserable little pension and make him sit down at forty years of age to brood over his troubles and misfortunes. Is that the best way to handle the situation? That aspect, I submit, should have been explored but it was not. Would it not be better to spend some of the money which we are here proposing to give, in training a man so that he could be self-respecting and independent thereafter? These blind people in their evidence stated that they maintain a number of institutions throughout Canada at their own expense, aided by public contributions, but they are now running in low water because times are hard, and it would have been appreciated if we made some grants to these institutes. I do not suggest that we should control them; I do not say that the government should take them over, but it would be appreciated if some grant were given them along the lines of the grants made to the Red Cross and other semi-public bodies.

Mr. SPEAKER: In the buzz of conversation it is very difficult to hear, and I would ask hon. members to keep better order.

Mr. NEILL: I will not detain the house long, but this is a very important subject. These blind people have institutions in which they train the blind to make brooms, baskets and other things, and to take up piano tuning and so on. In England—not by law, but by that powerful influence, public opinion —they have allocated to the blind the making of baskets and so on, and I find that in their evidence the blind alluded to this. Talking about employment they said, "That is a good thing for the blind; they really love to be employed." They also pointed out that in Japan the profession of masseur is reserved exclusively to the blind; hundreds of sightless people in that country earn their livelihood in that way. They say further that it is a great pity that the government of Canada does not reserve to the blind the manufacture of brooms and mops, and I think that is a suggestion which we might well take into consideration. My suggestion is that it would be better to help these people by training them to be independent instead of giving them a sop and then allowing them to sit down and brood over their troubles.

There is another phase of the subject which we might consider. The report proposes to confine our action to those over forty. But what about those under forty? The blind people have expressed the hope that all unemployed and necessitous blind will be taken into consideration. A man over forty might be quite capable physically except for his sight, but a blind sick man under forty gets no consideration here. They refer to this in their submission. I will not read it, but they say that there are a good many young people of thirty and under who are sightless owing to the encroachment of some disease, and these people deserve attention, undoubtedly more than a man who is otherwise able, except for his sight, and over forty. They themselves ask that consideration be given to this phase of the subject.

The suggestion put forward by the minister at the outset is one which I would support, and that is, that there should be a special act for the blind. That would do away with the injustice of excluding from the operation of the act those blind living in New Brunswick and Quebec, and it would deal with those even under forty. Perhaps the amendment which has been proposed by the hon. member for North Renfrew (Mr. Cotnam) is adequate to refer the matter back to the committee, but I am not quite clear as to exactly what it implies, because I did not hear every word of it. However, I will read an amendment which I myself was going to propose and in which perhaps the house might acquiesce inasmuch as, in my opinion, it affords greater scope for the committee to consider those points which I have suggested. I was going to move that the report be not adopted but be referred back to the committee in the usual way, and that they have power to consider the subject matter further and more particularly as to:

(a) Whether the interest of the blind would not be better served by bringing them under a special act for the blind rather than by putting them under the provisions of the Old Age Pensions Act which, at the present time, is only applicable to a portion of Canada; and

(b) Whether their interests may not be forwarded by granting support to some of the existing institutions for training the blind to earn their own living.

I will not move that amendment because the feeling of the house no doubt is that the spirit of it is embodied in the amendment already proposed by the hon. member for North Renfrew. I hope the amendment will be adopted and the committee empowered to consider the whole matter, not in the narrow terms of the report but in all aspects of the subject.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): I had not heard about this before, and it is a matter that requires a good deal of consideration. Offhand, my feeling would be to support the committee. When we refer a matter of this kind to a committee it is very carefully considered there, and as a rule that would be my attitude, though I have not looked into this particular matter. However, inasmuch as this has come on without notice I think it should stand in order to give us an opportunity to consider the questions raised.

Hon. ERNEST LAPOINTE (Quebec East): Before the motion is allowed to stand, may I say that I heartily support the amendment moved by my hon. friend from North Renfrew. Indeed, I was going to oppose the approval of the committee's report, as it stands, because it would certainly be unfair to a number of blind people in Canada. I agree with my hon. friend that there should be a special act with regard to the blind, irrespective of the position taken by some of the provinces with respect to the provisions of the present Old Age Pensions Act. On the whole, I am not sure that the amendment of my hon. friend from Comox-Alberni (Mr. Neill) would not be more regular than the amendment that has been moved, seeing that it does not call for the expenditure of money but merely suggests that the committee consider the matter. However, I am willing to support the proposed amendment.

Mr. SPEAKER: Some disposition should be made of the motion; I think the debate should be adjourned.

Mr. LAPOINTE: I move that the debate be adjourned.

Motion agreed to and debate adjourned.

POST OFFICE ACT AMENDMENT

Mr. T. L. CHURCH (East Toronto) moved for leave to introduce Bill No. 50, to amend the Post Office Act (newspaper ownership).

Some hon. MEMBERS: Carried.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

[Mr. Neill.]

UNEMPLOYMENT RELIEF—CONTRIBUTIONS TO ONTARIO

Mr. MULOCK:

What contributions, if any, did the dominion government give to the province of Ontario for relief expenditures in each of the months of July to December inclusive, 1933, the month of January, 1934; the months of July to December inclusive, 1934; the month of January, 1935?

Mr. GORDON: On Monday last I informed the hon. member for North York (Mr. Mulock) that the form of his question had caused some delay in view of the difficulty in allocating to any month the amount of money which had been contributed in respect of expenditures during any particular month.

The fact is, the contributions of the dominion government consist not only of the payments made but also of the commitments to the province by the dominion government, that is to say, the dominion government agrees to contribute a certain sum of money to the province for a specified purpose or work and at a certain period may have received accounts for only part of the amount and, therefore, have only paid or contributed a portion of the amount, although still liable and ready to pay the balance on receipt of accounts.

A considerable time frequently elapses between the date of the actual expenditure and the date that accounts are received by the department from the province, and when an account is received it may cover a longer period than one month and it may not be possible for bills for materials and things of that character to be divided up to show actual disbursements applicable to any particular month.

A statement of the accounts paid by the dominion is not necessarily a complete picture regarding dominion contributions, as many of the payments made are in respect to accounts for which claims have yet to be rendered. With these reservations, which I trust the hon. member for North York will appreciate, I am making a return showing the payments made to the province of Ontario.

The following are the payments made to the province of Ontario by the dominion during the months indicated:

July, 1933	$ 613,516 65
August, 1933	1,321,617 96
September, 1933	969,436 82
October, 1933	1,451,639 07
November, 1933	485,902 26
December, 1933	1,196,806 93
January, 1934	1,337,678 87
July, 1934	2,312,052 30

August, 1934..	911,624 63
September, 1934..	656,229 15
October, 1934.	2,206,517 04
November, 1934..	822,635 24
December, 1934.	1,836,927 08
January, 1935..	2,216,915 27

GOLD TRANSFERRED TO BANK OF CANADA

Mr. MACKENZIE (Vancouver):

1. What amount of gold was taken over by the Bank of Canada from each chartered bank separately?
2. What was the total value of the gold taken over from each bank separately?

Mr. RHODES: 1.

Bank	Amount
Barclays Bank (Canada).	$ 10,482 23
The Canadian Bank of Commerce..	13,182,326 77
The Dominion Bank..	804,495 53
Imperial Bank of Canada.	218,220 98
Bank of Montreal..	13,043,245 93
Banque Canadienne Nationale	419,002 56
The Bank of Nova Scotia. ..	6,546,338 19
La Banque Provinciale du Canada..	40,350 86
The Royal Bank of Canada. ..	2,382,087 24
The Bank of Toronto.	833,854 17

2. The value at $20.67 a fine ounce, which is the basis of valuation for gold in Canada as established by the Currency Act, is shown in answer No. 1.

Mr. MACKENZIE (Vancouver):

1. Has the gold formerly in possesion of the chartered banks been transfered to the Bank of Canada?
2. If so, how much has been transferred?
3. At what valuation?

Mr. RHODES:

1. Yes, as to gold held in Canada.
2. $37,480,404.46.
3. $20.67 a fine ounce.

PERCENTAGE DEPOSITS TRANSFERRED TO BANK OF CANADA

Mr. MACKENZIE (Vancouver):

1. What was the total amount transferred to Bank of Canada by way of percentage deposits of the chartered banks?
2. When was such transfer made?

Mr. RHODES: 1 and 2.

Section 27 of the Bank of Canada Act requires that on and after the day of commencement of business by the Bank of Canada (e.g., March 11, 1935), every chartered bank shall maintain a reserve of not less than 5 per cent of its deposit liabilities within Canada, such reserve to consist of a deposit with the bank and of notes of the bank held by the chartered bank. The act requires that the return to be made by each bank in this connection shall be made to the Bank of Canada and the time for filing the first return has not yet arrived.

Total deposits of the chartered banks with the Bank of Canada were $151,927,627 on March 13th, the date of the first weekly statement of the bank. At February 28th, the date of the last return from the chartered banks, their deposit liabilities within Canada amounted to $1,944,561,287.

CANADIAN FARM LOAN ACT

Mr. SEGUIN:

Will the $90,000,000 proposed in connection with the Canadian Farm Loan Act be allotted to each province on a basis of population?

Mr. RHODES: Allotment on a per capita basis is not contemplated by the statute. As in the past, it will be the responsibility of the board to develop its loaning policy, having regard to the demand for loans and the public interest generally.

SENATE VACANCIES

Mr. POULIOT:

1. Were there any vacancies in the Senate on February 7, 1933?
2. If so, how many, what were they and on what date did each of those seats become vacant?
3. Since then, were there any other vacancies in the Senate?
4. If so, how many, what were they and on what date did each of those seats become vacant?
5. Was each of the above mentioned vacancies filled?
6. If so, when?
7. If not, what are the seats which are still vacant?
8. Did the government save any money by delaying the appointments to any such vacancies?
9. If so, how much?

Sir GEORGE PERLEY: This is a qestion that should be asked in the Senate. If we are going to try to get the information here, I think there is a procedure by which a message may be sent to the Senate asking for the information. I suggest that the hon. member get somebody to ask the question in the Senate.

Mr. MACKENZIE KING: Is it not a fact that vacancies are filled by the government and not by the Senate, in which case this would be a proper question?

Sir GEORGE PERLEY: Certainly vacancies are filled by the government, but the information asked for should be obtained through the Senate.

Mr. POULIOT: I do not ask my question of the Senate; I ask it of the government, because senators are appointed by the government. I would not wish to try to teach the acting Prime Minister anything, because he is an old gentleman, but he must know the answer; he must have concurred in the nominations.

Sir GEORGE PERLEY: I am quite willing that a message should be sent to the Senate asking for the information.

Mr. POULIOT: No, I want it from the government; I am entitled to that.

Mr. SPEAKER: I shall give the matter further consideration. My mind is not quite made up at the moment.

Question stands.

NEW BRUNSWICK RELIEF CAMPS

Mr. MICHAUD:

1. How many relief camps are operated in New Brunswick?
2. Where are they located?
3. How many men are there in each camp and at what kind of work are they employed?

Mr. STIRLING:

1. Six.
2 and 3.

Location	Strength 15-3-35	Nature of Work
Cambridge	100	Clearing, grading and general development of an intermediate landing field.
Blissville (a)	....	
Upper Brockway	21	
Saint John	146	Grading of municipal airport.
Havelock	42	Clearing, grading and general development of an intermediate landing field.
Colter's siding	711	Development of a forestry experimental station.

(a) Closed for the winter.

MONTREAL MAIL DRIVERS

Mr. POULIOT:

What is the scalary of mail drivers in the city of Montreal, and how many hours per week are they required to work?

Mr. SAUVE: 1. (a) J. E. Laurent.

	Salary	Hours of work per week
Drivers of horse drawn vehicles	$15 per week	48 to 54
Chauffeurs (junior)	18 per week	
Chauffeurs (senior)	19 per week	

(b) Canadian Transfer Company, Limited.

	Salary	Hours of work per week
Drivers for street letter box collections	$15 00 per week	39 to 41
Drivers for railway stations and wharves service	19 25 per week	48

LES MILLES ILES, QUE., DREDGING

Mr. POULIOT:

1. Since 1930, did the Department of Public Works do any digging and filling at the outlet of the du Chêne river at the place called Les Milles Iles, in the county of Laval-Two Mountains?

2. If so, what was the nature of such works, why were they undertaken, and what was the cost of same?

[Sir George Perley.]

3. What was the depth of the river before and after the digging operations at that place?

Mr. STEWART (Leeds):

1. Yes.

2. Dredging was done to deepen shoal areas of less than 3 feet to a depth of 3 feet along shores of Rivière du Chêne and outlet channels in Milles Iles river; also to remove a boulder shoal area projecting above low water level

in Milles Iles river. The work was undertaken to improve the general sewage outlet of the town of St. Eustache in Milles Iles river and facilitate small craft navigation. The total cost of the work was $18,139.81.

3. Answered by No. 2.

PUBLIC REVENUE

Mr. POULIOT:

What did the revenues (a) from customs; (b) excise; (c) income tax, amount to in each calendar year since 1930?

Mr. MATTHEWS:

	(a)	(b)	(c)
1931	$120,192,964 70	$101,568,404 01	$57,081,084 91
1932	86,260,527 97	123,198,041 30	63,995,050 19
1933	69,042,222 88	134,906,889 38	58,829,330 32
1934	82,822,922 81	158,979,436 62	61,608,732 29

MONTREAL MAIL CONTRACTS

Mr. POULIOT:

1. Since 1930, did the Post Office Department call for tenders in connection with the various contracts awarded for the carriage of postal matter in the city of Montreal?

2. If so, on what dates and who were the tenderers in each instance?

Mr. SAUVE:

1 and 2. No. Owing to the necessity of a complete revision of the contracts in Montreal when the new postal accommodation is completed, and the fact that the present contractors have been giving first class service, several services have been operated under temporary agreement. This practice has obtained for the last fifteen years.

Mr. POULIOT:

1. Since the month of August, 1930, and in addition to the contract under the terms of which the hon. Postmaster General stated on March 26, 1935, that he paid $57,220.53 to J. E. Laurent, Debates, page 2253, did the Post Office Department award one or several other contracts for mail carriage and delivery in the city of Montreal?

2. If so, to whom, and what amount was paid in connection therewith?

Mr. SAUVE:

1. Yes.

2 (a) The Canadian Transfer Company, Limited.

(1) Street letter boxes collection in Westmount, $1,186.25 per annum.

(2) Street letter boxes special collection on route No. 19, $1,825 per annum.

(3) Street letter boxes collection in northern section (evening), $2,098.75 per annum.

(4) Street letter boxes collection in eastern section (evening), $2,244.75 per annum.

(5) Service between head office and Stephen building, $8,760 per annum.

(6) Service to De Lorimier postal station, $1,144 per annum.

(7) Service to Notre-Dame de Grâce postal station, $1,430 per annum.

(8) Service to railway stations and wharves, $43,900 per annum.

(9) Service to St. Lambert postal station, $2,400 per annum.

(10) Street letter boxes collections all over Montreal, $79,418.14 per annum.

(11) Service to Mile End station (morning train from Quebec), $4,530 per annum.

(12) Service from Bonaventure station to postal stations Hochelaga, N.C., De Lorimier, R.E., Outremont, $1,252 per annum.

(13) Street letter boxes collection and special service to postal stations, $3,130 per annum.

(14) Street letter boxes collection in Notre-Dame de Grâce (extra service), $2,750 per annum.

(15) Service to postal stations "D" and Verdun, $475 per annum.

(16) Service to postal stations "D" and Verdun (evening service), $1,806.75 per annum.

(17) Service to Westmount, $765.

(18) Relay bundles in Westmount, $1,437.75.

(b) J. E. Laurent—Street letter boxes collection in Cartierville, St. Laurent, Mount Royal, $1,200 per annum.

(c) A. Trudeau—Parcel post delivery service in St. Lambert, Longueuil, Greenfield park, $2,401.50 per annum.

POST OFFICE LOCATIONS

Mr. POULIOT:

1. Were the locations of any post offices changed on grounds of political partisanship or for any other cause whatsoever, from June 28, to September 25, 1926?

2. If so, how many?

Mr. SAUVE:

1. Yes.

2. 8; as follows:

Post Office	Postmaster	Date of removal of office	Reason
Lanark, N.S.	William Dunn	August 16, 1926.	Change in site.
Maryvale, N.S.	Wm. Power	September 11, 1926.	Reinstatement.
Monastery, N.S.	S. W. Hagerty	September 11, 1926.	Change in site.
Pleasantville, N.S.	Allan Rafuse	August 14, 1926.	Reinstatement.
Fredericton Jct., N.B.	T. B. Hartt	July 31, 1926.	Unsatisfactory management.
Métis Beach, P.Q.	Mrs. Eug. B. Pettigrew.	August, 20, 1926.	Shortages.
The Slash, Ont.	Wm. Bowerman	August 2, 1926.	Change in site.
Gretno, Man.	Edward Ellis	August 10, 1926.	Shortages and unsatisfactory management.

LAMINATED GLASS DRAWBACK

Mr. HANBURY:

What was the amount of home consumption drawback paid to Canadian manufacturers of laminated glass during the fiscal year 1934-35 under drawback item No. 1067 schedule B?

Mr. MATTHEWS: $96,785.58.

HOSPITAL AND SURGICAL TREATMENT FOR VETERANS

Mr. CHEVRIER:

1. In cases of great emergency occurring when government offices are closed, are there any special arrangements made by the Department of Pensions and National Health to provide veterans entitled to treatment through the department with the hospital and surgical attendance required?

2. If so, what are those special arrangements?

3. Have pensioned veterans been informed as to whom they should call at night in cases of emergency, so as to receive the prompt hospital and surgical attendance required?

4. Is there any special indication amongst the government's list of telephones in the Ottawa telephone directory with reference to that special official on duty from 5 p.m. to 9 a.m., if any?

5. If, from lack of information, a veteran entitled to treatment through the department and requiring an immediate operation is rushed to a near hospital and is operated upon by a surgeon not on the official list of the department, will he have to bear all expenses incident to his hospitalization, or will the department accept the responsibility of such expenses at the pro rata of what would have been paid, had the patient been treated through the department?

6. What is the hospital in Ottawa exclusively recognized by the department?

7. What are the names of the surgeons in Ottawa exclusively recognized by the department for treatment of veterans?

8. Have veterans of Ottawa been informed of the existence of such preference, if any, and how?

9. Has a list of medical and surgical men on the official list, if any, been supplied to all pensioned veterans of the Ottawa district?

Mr. SUTHERLAND: With regard to this question, I would like to know whether the hon. member in the first three paragraphs refers to Ottawa or generally throughout Canada?

Mr. CHEVRIER: To Ottawa.

Mr. SUTHERLAND: Stands.

Question stands.

QUESTIONS PASSED AS ORDERS FOR RETURNS

DEPARTMENT OF PENSIONS AND NATIONAL HEALTH

Mr. HOWDEN:

1. How many patent medicines are registered which contain schedule drugs and what precautions are taken to safeguard the public in the case of preparations containing such drugs?

2. Are preparations containing schedule drugs manufactured under the supervision of a registered pharmaceutical chemist?

3. What check is being made under the Food and Drugs Act to ascertain that drugs used in patent medicines are chemically pure and biologically active according to government standards?

4. What machinery exists under the Department of Pensions and National Health to control the issuance of patents for medicines?

5. How many patent medicines are now registered under the department?

6. What number of patent medicines have been registered each year for the past ten years and what number of cancellations have occurred during that period?

7. Do patents granted for medical apparatuses come within the scope of the Department of Pensions and National Health?

8. What precautions in respect to public safety does the government exercise in the granting of patents for apparatuses for the treatment of the human body?

9. What percentage of the personnel, time and pay-roll of the Department of Pensions and National Health, is devoted strictly to items of health?

CUSTOMS TARIFF

Mr. POULIOT:

1. What was the total number of items in the customs tariff on August 1, 1930?

2. What is it now?

3. On how many of those items was the customs tariff increased each year since August 1, 1930, (a) by parliament, and (b) by orders-in-council?

4. On how many of those items was the customs tariff decreased each year since August 1, 1930, (a) by parliament, and (b) by orders-in-council?

5. How many of customs tariff items have been left untouched since August 1, 1930, and are still in force?

6. Are there any of customs tariff items which have been changed more than once, (a) by parliament, and (b) by orders-in-council since August 1, 1930?

7. If so, how many during that period?

8. Did the government have investigations made before the above mentioned changes in customs tariff?

9. If so, by whom, each year since August 1, 1930?

10. Did the government secure any information about the effect of such changes in customs tariff?

11. If so, from whom, each year, during the same period?

ADVANCES TO BANKS

Mr. CHEVRIER:

1. What was the annual advances to chartered and savings banks under the Finance Act from August 22, 1914, to March 11, 1935?

2. What were the rates of interest charged?

3. What was the total amount advanced to each of the chartered and savings banks from August 22, 1914, to March 11, 1935?

4. What was the total interest paid for the above period?

MOTIONS FOR PAPERS

FARMERS' CREDITORS ARRANGEMENT ACT

Mr. RALSTON:

For a copy of all letters, memoranda and documents referring to proposals for settlements effected in the province of Nova Scotia under the Farmers' Creditors Arrangement Act; also a statement showing the names and addresses of the official receivers in Nova Scotia for the purposes of said act, and the salaries and other compensation payable to each in the years 1934 and 1935, and the respective amounts for salary, compensation and expenses actually paid to each during such years.

Mr. RHODES: There are two objections to the first portion of this motion. One is that if we are to adopt any procedure with respect to all cases, the voluminous character of the return would involve the services of a large number of persons for many months, because at the moment the number of proposals before official receivers runs into the tens of thousands.

The second objection is that it is not in the public interest to disclose the names of individuals together with statements covering their private affairs, particularly in view of the character of the proposals and the fact that settlements may not arise out of them. I have spoken to the hon. member and I think he concurs in the objections that I have just made. His suggestion is that the understanding should be that the return will comprise only the number of cases, the amounts of assets and liabilities in each case, and a summary of settlements in cases where settlement was effected. I assume by that my hon. friend means a succinct statement—

Mr. RALSTON: A précis.

Mr. RHODES: —of case, number one or number two, whatever it may be. With that understanding there is no objection to the motion passing.

Mr. RALSTON: My hon. friend spoke to me about this matter before the house met. I should like it understood that in assenting to the motion carrying in the amended form. I would not want to be taken as waiving the right of production of papers as called for in the resolution, but I assure my hon. friend and the house that for my purposes in connection with this motion there is no desire to have the identity of the debtors in any way disclosed. With that understanding the motion amended as suggested is satisfactory.

Mr. RHODES: I must say a word with regard to the latter portion of my hon. friend's remarks. It must not be understood that his exception should indicate that we accede to his position, that a member of right should have the full information.

Motion as amended agreed to.

CIVIL SERVICE STATISTICS

Mr. AHEARN:

For return showing:

1. The names and ages of all civil servants who have been retired with annuities at ages less than forty years since the present government assumed office, together with the amount of the annuities in each case.

2. The names of those included in such a list who have been reemployed in the federal civil service.

3. The number of persons who have been appointed to the federal civil service since the present administration assumed office, excluding part-time employees, labourers, and mechanics.

Mr. CAHAN: There is no objection to the resolution passing as to clause 1 and clause 2. My impression is that a return asked for by another hon. member is being prepared which will cover clause 3, but it involves a considerable amount of work and it will be some time yet before it can be completed. I would suggest to the hon. gentleman that he allow the motion to pass as to clauses 1 and 2, and reserve the question as to whether clause 3 is covered by the return which is now in course of being completed.

Motion as amended agreed to.

SALARY DEDUCTION ACT

Hon. E. N. RHODES (Minister of Finance) moved that the house go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to bring in a measure to authorize a deduction of five per cent from the amount of certain salaries or other compensations or indemnities payable by the government of Canada during the fiscal year ending the 31st March, 1936, and to provide for the payment out of the consolidated revenue fund of such amounts as are necessary under the proposed legislation.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Motion agreed to.

INCOME WAR TAX ACT

Hon. E. N. RHODES (Minister of Finance) moved that the house go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to provide that the members of the judiciary, and the members of the military, naval and air forces of Canada, and of the Royal Canadian Mounted Police, other than enlisted men, shall be liable to pay a special income tax of five per cent upon their salaries received during the fiscal year 1935-36, in addition to any other tax payable under the act.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Motion agreed to.

WATERLOO, QUE., POST OFFICE

On the orders of the day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): A few days ago there was laid upon the table the report of the royal commission in connection with the building of a post office in Waterloo, Shefford county, province of Quebec. I would ask the government whether they propose to follow the recommendations of the commission with regard to action against those guilty of fraud, and to recover moneys unlawfully obtained.

Hon. H. A. STEWART (Minister of Public Works): The report has been forwarded to the Minister of Justice (Mr. Guthrie) who is considering the same with a view to what action shall be taken in the light of the recommendation from the royal commissioner.

Mr. WOODSWORTH: Might I ask the minister to refer this question to the Minister of Justice, with the idea that we might have a definite answer in regard to what action might be taken.

Mr. STEWART (Leeds): That has been done.

PRIVILEGE—MR. POULIOT

On the orders of the day:

Mr. JEAN FRANÇOIS POULIOT (Témiscouata): At page 2332 of Hansard the hon. member for Qu'Appelle (Mr. Perley), referring to the unemployment insurance measure is reported as saying:

—and there was the hon. member for Témiscouata (Mr. Pouliot), who said he did not know what it was all about.

May I refer the hon. gentleman to page 1513 of Hansard of March 7 of this year, where I declared in regard to this legislation—

Mr. SPEAKER: I must call the hon. member to order. This is not a point of order. The hon. member can seize an opportunity in the house at the appropriate time to contradict any statement made by any hon. member, but not on the orders of the day.

THE KING'S SILVER JUBILEE

PROCLAMATION ISSUED DECLARING MONDAY, MAY 6 A PUBLIC HOLIDAY

On the orders of the day:

Mr. T. L. CHURCH (East Toronto): I wish to direct a question to the government concerning the nature of the proclamation of May 6 next as a day of general thanksgiving. I have received a telegram from J. W. Somers, O.B.E. City Clerk, Toronto, asking:

Has Monday, May 6, been proclaimed a public holiday? Gazette states that it is to be a day of general thanksgiving and rejoicing. Will it only be a bank holiday? Please advise me as soon as possible.

I would ask the government what is the nature of a day of rejoicing and thanksgiving? May 6 is not a statutory holiday. Will the banks close, will it be a public holiday all over Canada?

Hon. C. H. CAHAN (Secretary of State): May 6, which is the twenty-fifth anniversary of the king's accession to the throne, will be a public holiday throughout Canada. It has been so declared by a proclamation which was issued on February 27 and published in the Canada Gazette of February 28 and posted in every post office in Canada on the succeeding days. That proclamation makes Monday, May

6, a public holiday in so far as the federal parliament has jurisdiction. It is also what in common parlance is known as a bank holiday. In the Bank Act there is no special provision with respect to holidays, as the banks observe all statutory holidays. The Bills of Exchange Act, chapter 16 of the revised statutes of 1927, provides in section 43 that in all matters relating to bills of exchange:

> Any day appointed by proclamation for a public holiday, or for a general fast, or a general thanksgiving throughout Canada,

shall be observed as a legal holiday.

Therefore May 6 is a legal holiday with respect to usual banking transactions.

Hon. ERNEST LAPOINTE (Quebec East): In that connection, I was reading this morning in the British press that an appeal is being made to all employers of labour in England that they should pay the salary or wages of their employees on that day even though it is a holiday, so that no workers would lose any part of their wages because of participation in the festivities accompanying that jubilee. Could not the same appeal be made in Canada to all employers of labour?

Mr. CAHAN: By whom was the request made? By the Home Office or some department of the government of the United Kingdom?

Mr. LAPOINTE: No, I think it is rather in the press. I am not sure whether the government itself has taken any part.

Mr. CAHAN: The hon. gentleman and I might make an appeal to all the people of Canada.

Mr. LAPOINTE: We may both make the appeal.

CIVIL SERVICE RETIREMENTS

On the orders of the day:

Mr. G. W. McPHEE (Yorkton): If I am not forestalled by the answer given by the Secretary of State (Mr. Cahan) to the hon. junior member for Ottawa (Mr. Ahearn) I desire to ask the Secretary of State when I may receive a return to the question asked by myself on March 6 last:

> 1. How many civil servants have been removed from their positions since the present government came into office by: (a) dismissal; (b) superannuation; (c) death; (d) other causes?
>
> 2. What are the names of the deputy ministers removed from their positions since the present government came into office by: (a) dismissal; (b) superannuation; (c) death; (d) other causes, showing the department of which each was deputy?

May I ask when I may expect an answer to the question?

Hon. C. H. CAHAN (Secretary of State): Every effort is being made to secure from the various departments of government a complete answer to the hon. gentleman's question but I cannot now state on what date it will be ready for submission to the house. It is a very voluminous return.

THE BUDGET

CONTINUATION OF DEBATE ON THE ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed from Tuesday, April 2, consideration of the motion of Hon. E. N. Rhodes, (Minister of Finance), that Mr. Speaker do now leave the chair for the house to go into committee of ways and means, and the proposed amendment of Mr. Ralston, and the amendment to the amendment of Mr. Coote.

Mr. FRANK BOYES (East Middlesex): Mr. Speaker—

Some hon. MEMBERS: Question.

Mr. BOYES: In continuing the debate on the budget may I say that in the riding which I have the honour to represent we have a considerable number of market gardeners, many of whom produce vegetables in greenhouses. During the campaign many Conservatives, including myself, promised that protection would be given not only to industry but also to farmers and market gardeners, which would include those engaged in the production of vegetables. I am glad to be able to say that this legislation has been provided, and under it our imports of certain vegetables have decreased more than fifty per cent. These include potatoes, lettuce, cucumbers and tomatoes, and I am sure those who are engaged in this business have received considerable benefit through this legislation.

I wish to thank the government also for having introduced legislation providing seasonal protection for market gardeners and fruit growers. There is, of course, a certain season during which vegetables should be allowed to come into the country, but there is another season when our producers are able to supply the demand, and during that season I say these foreign vegetables should be shut out. May I say, however, to the minister who has charge of this seasonal protection that I believe there have been times when the protection has not been applied sufficiently early to protect those engaged in the

growing of vegetables, and I should like to ask him to see to it that this protection is made effective in sufficient time to enable our producers to secure that business. If there is any doubt as to the time at which these tariffs should be put into operation, I submit that the producers of vegetables should be given the benefit of the doubt.

Then there is another act which I am sure is receiving a great deal of attention at the present time; I refer to the Farmers' Creditors Arrangement Act. In the county of Middlesex I believe more than 120 applications have been received for information in regard to this measure. A great many applications for adjustment have been made; meetings have been held and adjustments have been arrived at which have been satisfactory not only to the farmers but also to their creditors, sometimes involving thousands of dollars. I am convinced, Mr. Speaker, that this is one of the most important pieces of legislation enacted by this government.

Another matter to which I have devoted some attention is the agitation which has been carried on by some of the members in the far corner, the independents and those belonging to the Cooperative Commonwealth Federation, in regard to the capitalistic system. I am convinced that the capitalistic system is the right system for the Dominion of Canada. I do not believe that it is one hundred per cent perfect, but why destroy the system because it is not perfect? This government have gone ahead and brought about changes in that system; some of the acts passed for that purpose are already in force, and further enactments will be made which I am sure will be very beneficial. I am strongly in favour of the capitalistic system, with certain reforms which can be brought about.

In conclusion, Mr. Speaker, may I say that I am convinced that this budget will be received with great favour by the people of Canada. When the government appeal to the country for reelection I am convinced that the electors will show their approval of this budget and of the legislation which has been enacted by this government, and will return to power the Conservative party, with Right Hon. R. B. Bennett as Prime Minister of Canada for another term of five years.

Mr. GEORGE SPOTTON (North Huron): Mr. Speaker—

Some hon. MEMBERS: Hear, hear.

Mr. SPOTTON: I see I have the consent of His Majesty's loyal opposition to address a few words to you, sir, in connection with the budget, and I wish to thank hon. gentlemen opposite for the courtesy they have extended to me. While I was in the house for a few moments last night I noticed that hon. gentlemen opposite were much more anxious to conclude this debate than they are to-day, and, I am vain enough to believe that that is out of courtesy to me, so I will not impose upon them at any great length.

Last night when one of the members on this side rose to address the chamber I heard one of the younger members opposite, who perhaps was christened by his mother "colon" instead of "period," call out, "Bring on the election." There is one reason, Mr. Speaker, why I am glad the election is not going to be brought on with undue haste. In the Dominion of Canada there are about 650 persons born every day, and, in a year that amounts to something like 225,000 or 230,000 persons. If 200,000 of those attain their majority it means that almost that number of boys and girls, who are impatiently waiting for the day when they will be twenty-one years of age, would have been disfranchised if the leader of the opposition and his followers had been given their way in this matter. I believe I can trust the young people of Canada. About 750 or 800 of these young people, who would have been disfranchised if this government had been stampeded into going to the country, will be able to vote in my riding, and I am going to trust those young people. They are the people who will have to carry on when you old fellows, who are going down the western slope facing the setting sun, pass out; then it will be up to us younger people to carry on.

There is one other reason. I have listened to Liberal orators and spellbinders stating that the Liberal party was the party of the masses and the Conservative party the party of the classes.

Mr. BOUCHARD: You should be over here then.

Mr. SPOTTON: I hear the professor again, but don't blame him, Mr. Speaker; it is his profession. We have always been told by these Liberal spellbinders that the Conservative party was owned body and soul by the big interests. Yet we have it from the leader of the Cooperative Commonwealth Federation, speaking in Kingston, that he thanked God and took courage that the Right Hon. R. B. Bennett was the first leader of either of the major parties that had ever attacked capitalism. And I am glad too, as a humble member who was elected by a farming constituency, and by the way at a by-election. We have heard so much about by-elections

this session that I suppose it will not be out of order for me to refer back to the last administration. They lost a by-election once when they had eleven cabinet ministers in the riding, also Hon. Duncan Marshall, Hon. Nelson Parliament and every Liberal member, I think, of the Ontario house and of the legislature in Quebec. They brought in the whole circus, the calliope and the whole troupe. They brought in the Minister of Finance to hold up the treasury of Canada in the one hand and the credit of Canada in the other, and told them just to ask for what they wanted. But they lost that by-election. I am not twitting them over it or boasting about it, because I have often lost myself; and I think I have been a good loser just as I have striven to be a modest winner. But when the Liberals lost that by-election they did not say that the Liberal government was discredited and should immediately go before the people. I was twitted by the then Prime Minister that I was a minority candidate. I wish to say to him to-day that he has never been other than a minority prime minister in this country. I listened to him in the 1925 election when he made great promises, and in my opinion, Mr. Speaker, he is the record promise-breaker in Canadian history. He promised that if after that election he did not have a clear majority in the House of Commons he would refuse to carry on because he had in the back of his head, and in a book, beneficent legislation which the Progressive group had not permitted him to put upon the statute books. Well, he went to the country 116 strong and came back 101 strong, and yet his lust of office was so great that he broke that pledged word, and by the way gave me several votes from Liberals who had heard him make that promise.

He also said that he was going to reform or abolish the senate, and I remember that he brought with him to my county a concrete example, as it were, the late Senator McCoig, who stood up after the right hon. gentleman had made that declaration of reforming or abolishing the senate and said, "Yes, it was upon that understanding I was made a senator." He was to do the bidding of Bunty when Bunty pulled the strings. But we heard nothing more about the reform or abolition of the senate.

We listened the other day to the Labour member from East Hamilton (Mr. Mitchell) putting on Hansard planks from the Liberal platform of 1919, sixteen years ago, and it has remained for this government to put most of those planks into operation. That platform declared for limiting the hours of work to eight per day and forty-eight per week, along with a weekly day of rest of at least twenty-four hours. That promise was not fulfilled, but that legislation has been placed upon the statute books of Canada by this government. The Liberal platform of 1919 also called for:

> Abolition of child labour and the imposition of limitation of the labour of young persons to assure their proper education and physical development;
>
> Abolition of sweatshops by setting legal standards for conditions of labour which should have due regard for the equitable economic treatment of all workers;
>
> Industrial control to safeguard workers' interests and shape industrial policies;
>
> An adequate insurance against unemployment, sickness, dependence in old age and other disabilities;
>
> Steps to overcome questions of jurisdiction between the dominion and the provinces on these matters;

And the right hon. leader of the opposition is still harping on that subject to-day, and saying that we should not pass the unemployment insurance measure until that question of jurisdiction has been determined. The Liberal platform also declared for government action to deal with the high cost of living, and so on, and so on. I just wish to point out, Mr. Speaker, that no prime minister ever attained office by so many promises and fulfilled so few as the right hon. gentleman opposite. I am glad that this government has the stability and the gumption and the courage to place on the statute books in an orderly manner this legislation for which the people have been asking.

In a small measure I pledged myself when I was first elected that I would go out and do battle against the combines which had been formed under the King administration, 120 in number, and embracing 550 firms. My own town was ruined through them. It was during the Liberal administration, when the Liberals were saying that they were the friends of the masses, that trusts and combines flourished as they never had done before. In my first speech in this house I attacked the packing houses and the stock yards, the department stores and chain stores. In season and out of season I have done my little part to create an atmosphere so that some day this whole matter should be fully investigated. As we talked over the line fence or the garden gate we thought we knew what was going on, but as it says in the good book, we know now in part, and some day we shall know in full. And now, Mr. Speaker, we do know in full from the accountants and the auditors and the bookkeepers, from the presidents and general managers of these firms testifying under oath,

as to the iniquitous work that has been going on, and unless that price spreads investigation has been a joke and nothing more, than sounding brass and tinkling cymbal, it is our duty to stay here long enough to put legislation upon the statute books that will curb some of these evils. But I assume that in this case as in all others the leader of the opposition will be afraid to take his stand. He is afraid to take a stand on this great question before the general election. I hear him calling loudly: "Bring on your election." Hon. gentlemen opposite have been boasting about that in this house and outside. Indeed the day after the opening of this present session one of the very close friends of the late government was boasting upon a railway train how well they were set; the money was coming in fast for campaign purposes; they had $50,000 for Alberta, $50,000 for Saskatchewan, and that was merely a starter. They expected a similar amount for Manitoba and British Columbia, and they wanted $150,000 as a starter for Ontario, and more than that for Quebec. He did not say anything about the maritimes because before he got that far he got a poke in the ribs and it was intimated to him that there was an enemy sitting in the smoker. Now they are all set, but they do not wish to take a stand on anything. They never have done so. I would bring to witness Mr. Graham Spry. When he was in the inner circles of the party and was campaigning in Toronto he said that the leader of the opposition (Mr. Mackenzie King) had said that all the Liberals had to do was to criticize the present government and wait and they would get into office at the next elections. Of course, that has always been the attitude of that party. I am reminded of the republican campaigner who said that he would not go so far as to say that every Democrat was a horse thief but he would say that every horse thief he had ever known was a Democrat. I know that you, sir, would call me to order if I said that hon. members opposite had taken their salaries for five years under false pretences. The leader of the opposition receives a salary and perquisites equal to those of a cabinet minister. Why? Is it because he is pleasant? Is it because he had a grandfather? Is it because he is supposed to render services to his country for the money received? I know what would happen to a man employed in any other institution who refused to work or to cooperate in any particular.

What would happen to a farmer's hired man who would not go and plough a field to be planted with oats because he thought it was better suited for barley; who would not hoe turnips because the field should have contained mangles; who would not help to build a house because it should have been made of cement instead of brick, and who would not get up in the morning because he felt he should work at night? What would happen to a man who did nothing to promote the interests of his employer? I claim that such a man would be receiving money under false pretences when he accepted his wages. I submit that any man who takes a dollar for his labour and who does not endeavour to give a dollar's worth of work in return is taking money under false pretences.

We have been told by the minister that the price spreads commission is bringing down its report next Monday. This report will be first submitted to council and then to the house. This is something for which this country has been waiting. The people have been kidded long enough. They are no longer willing to be fed on froth; they want real Hepburn beer. Our people are no longer satisfied with promises. I must go to my people and show them that we have made an honest effort to correct the evils which were exposed by this commission. Attacks have been made upon the members of this commission, it being said that they are not sincere. I think the unkindest cut of all is the statement that my leader is not sincere. He is a man who has spent and been spent. He now lies upon a bed of sickness, having given his health. This man has made tremendous sacrifices and yet it is said to this country that he is not sincere. One of the members of that commission said to an audience down in my district that "that man is a humbug." I think the people of Canada will think otherwise, and we had that the other night on the word of the hon. member for Labelle (Mr. Bourassa). I do not intend to pass by this subject lightly.

All the way through the Liberal party seem to have had a peculiar notion. One of the members of the commission said that he doubted very much if the Conservative members would go as far as the Liberal members wished to go. We will know how true this is when the report is presented. The fact is that the Prime Minister (Mr. Bennett) told them to go as far as they liked. It matters not who comes in the way of these gentlemen who seem so hungry for power. I was almost going to say that they had been Hepburnized and become a little bloodthirsty. We find the former Postmaster General (Mr. Veniot) speaking in Ottawa and boldly stating that when he became Postmaster General—there was no question about it, he was to be the Postmaster General—he would dismiss every

postmaster who had been appointed since he went out. Then the other day he made another statement to the effect that within five minutes of the time he came into office he would cut off the head of the new deputy postmaster general. Then we find the hon. member for West Middlesex (Mr. Elliott) wanting to know what member of a department had sent out certain regulations, and another member stated that that man should be fired on the spot. It would seem that they have been Hepburnized, that they are hungering and thirsting to get back into office so that the hordes may be satisfied.

I played some little part in the milk investigation, although I was not particularly interested in this matter as whole sweet milk is not an important item in my county. However, I felt that such an investigation would lead to better things, and it did. I was delighted when that Christian gentleman, Hon. H. H. Stevens, was filled with a desire to assist his fellow men by taking part in this investigation.

Hon. members opposite contend that my leader is a Mussolini—he is not. They say that he is an autocrat—he is not. They say that he is the boss—he is. Heaven help any government or any institution where the leader is not the boss. The leader of hon. gentlemen opposite is so much the boss that the other night when some of his followers got up to ask for a vote, they voted directly opposite to their leader when the vote did come. Mr. Stevens was attacked in the late by-elections by the leader of the opposition. The Globe reports a meeting held in Massey Hall, Toronto, as follows:

> Speaking at Massey Hall, on September 20, he lashed out on the subject of the investigation.
>
> He accused Mr. Stevens of committing a parliamentary "foul" in his public speeches. He believed that the Premier and Mr. Stevens were in collusion to "humbug" the people.

That is how the leader of the opposition has assisted this country to get rid of the sweating and financial skullduggery which has been going on. The Globe contains the following report of a meeting at St. Thomas, the day before:

> "One would almost think that Mr. Stevens in a sinister way was seeking to defeat the work of the price spreads committee," warmly asserted Mr. King after reviewing the history of the pamphlet. Its issue constituted a "betrayal" by the Minister of Trade and Commerce, and its substance suggested the propaganda for a dictator prevalent in some European countries.

The leader of the opposition devoted the major portion of his speech at St. Thomas to attacking the then Minister of Trade and Commerce. Mr. Hepburn then followed at that meeting and—oh, well, I will not bother about Hepburn.

There has been a sinister movement ever since Mr. Bennett became the leader of this party. This movement has emanated from the great rumour factory in Ottawa. There has been an insidious campaign against the Prime Minister personally. They said he was a wealthy man and as a wealthy man he could not properly enter into the spirit of the oppressed. Well, I know many wealthy men on the other side and I would not say that of them; but I do say that if you search through history you will find that no one ever carried out great reforms in the history of Britain except the man who had wealth behind him. The leader of a great political party once said to me, "George, if I had two million dollars I would run this party to suit myself," and I think it is a wonderful thing that we have had as leader of this great party a man who did not have to look over his shoulder at any financial club. Who will say that the leader of the great republic to the south of us is not sincere? And yet he could not carry on as he has if he had not been a man of wealth. So that it ill becomes the hon. member for Quebec South (Mr. Power) to make a stinging speech in which he calls my leader a welcher. They have gone out and said, "Talk Bennett, talk Bennett;" and one or two members have been unkind enough to say that they hope he will be restored to health to lead the party because if a new man were selected they would have to go through the same work again and they would not have time. But it has ever been thus. There was an old woman in Kingston, a Mrs. McGarrity, who went to a Methodist revival meeting. The evangelist saw her drying a tear in this eye and a tear in the other, and he said to the pastor, "Go down and get that woman's name and address so that I may call on her to-morrow." Well, he called on her the next day and said to her, "I noticed that when you were at my meeting last night you were visibly affected. What part of my address appealed to you? I have just come around to talk over matters eternal and to clinch the thing." She replied, "Oh, you are all wrong; when you were talking about how those early Christians were persecuted I could not help thinking how those blooming Grits persecute John A." And just in that way was John A. Macdonald persecuted in my youth; for I remember being told that he was a very wicked man, so that I almost came to believe it. They used to talk about a Pacific scandal, and they said that he took $30,000 from the Canadian Pacific

Railway contractor to run an election, and the sons of those old pioneers now lick their lips and smile to think how smart their party was, when by a secret order in council, when this house was in session, they enabled the Liberal party to get $720,000 for campaign purposes. Yet they go about the land as Simon Pure apostles.

But let us take the evidence that we get from the independent corner. The hon. member for Wetaskiwin (Mr. Irvine), speaking in Toronto, made certain statements which I am going to quote. There they were carrying slogans on the trucks: "Beat Bennett; vote against Tommy Church"—because Bennett was a millionaire. But they did not use that language in North York where there was a millionaire behind every bush. However, this is what the hon. member for Wetaskiwin said:

"Beat Bennett" not C.C.F. plan.

William Irvine, M.P., warned that the C.C.F. was not interested in any plan to "beat Bennett."

"Mr. Bennett has been a far better Prime Minister than Mr. King. Voting only to 'beat Bennett' would make fools of us."

"Bennett has been turned out by St. James street because last year he gave us the best legislation in fifty years," asserted the speaker. "I'm not supporting him; don't mistake me. The only thing we have in common is that we both eat. But the new measures he introduced challenge the power of St. James street. That's why they're through with Bennett. And that's why you should vote to 'beat King,' as he's on the job for them now."

These are not my words but the words of an independent member of this house. Then I would quote the opinion of the talented lady member for Southeast Grey (Miss Macphail), who said that Mr. King could do nothing in grander style than any person she had ever known.

I am not going to attempt to preserve any continuity in this speech but I am going to discuss a few things which we notice in the press. None of the members here would say some of these things, and I know that no United Farmer in Ontario would say them, but there are Liberal candidates and some Liberal speakers, mostly from the west, who do not know the temperament of the people of Ontario, and they have said that the Prime Minister refused to see the farmers who came to Ottawa. Well, there are many members here who accompanied that delegation. I was asked to introduce a deputation to the Prime Minister, and as we went into that meeting we were handed pamphlets, one of which I have in my possession, that set out the different orders of business. This deputation, at a particular hour, was to wait on the Prime Minister. We were an hour late, but the Prime Minister—and some Liberal gentlemen were with us—gave us a hearing. It is true he refused to go down and address the meeting; that was not a part of the arrangement. The arrangement was that he should meet a deputation, a committee from that meeting. I know whereof I speak because I introduced the deputation, and I shall be glad to have my statement backed up by the United Farmers of Ontario. He refused to go to the coliseum, but he did not refuse, as arranged, to meet the deputation, and he did see the committee that was appointed. The United Farmers of Ontario are not kicking about this, but there are Liberals who are striving to make political capital by falsifying the premier.

A former minister of trade and commerce used to say that the Liberal government kept the dollar at par. I wonder what he would say now that this government, during this period of stress and strain, has brought the dollar above par. Is not this government to get some credit for the fact that, whereas in 1930 the superstatesmen left us the sixth trading nation in the world, we are now fifth? Is it not to the credit of the government and of the country that we had such a financial genius to steady the financial structure of Canada? What does it matter if you gain the whole world and lose your own soul? What does it matter if you own the city of Ottawa and the Dominion of Canada is bankrupt, as we are told many western provinces are? The credit of Canada has been preserved, and it is sounder to-day than it has ever been since confederation. If it were not so the Prime Minister would be blamed for it; and when it is so should he not get some little credit for it?

There is another matter I must refer to. Campaigners have been going through Ontario saying that this government has clogged the channels of trade. Let me quote what Mr. Dunning wrote in a Liberal campaign paper. He said:

All major European markets are now closed to us as a result of prohibitive tariffs following the war.

There is Charlie's picture and there is Charlie's signature.

An hon. MEMBER: When was that?

Mr. SPOTTON: That was July 14, 1930. I do not think I will take up the time of the house discussing the Fordney-McCumber tariff, the Hawley-Smoot tariff, or other tariffs. I am just going to leave it to the country that

the greatest finance minister Canada ever had, according to the Liberals, made this statement in the midst of the last election:

All major European markets are now closed to us as a result of prohibitive tariffs following the war. Only one market remains—the British market. If we lose it, there is no other market. Losing it, Saskatchewan farmers would be ruined. Are we in danger of losing it? Yes, 1929 proved unless we act now. How can we secure and hold the British market? There is only one answer.

And I will not read any further. But he states clearly and definitely from period to period that one observation which I wish to read to the house. I am going to make my own speech, such as it is, but for the benefit of the member for all Vancouver I shall read that first paragraph again:

All major European markets are now closed to us as a result of prohibitive tariffs following the war.

And then the next:

Only one market remains—the British market.

I shall be glad to show my hon. friend the paper. In fact I am going to have it photographed so that all may be able to see it.

I can well remember some years ago in the house when the leader of the opposition used always to speak about "us like-minded people." That is the time he was courting the Progressives. I can well remember that he twitted me as being a minority member in the house because "us like-minded people" had divided.

To come back to my leader, I would like to leave this one thought with the younger people of Canada. In 1911, the present Prime Minister, in seconding the address, placed before the house practically every piece of forward and upward looking legislation that we have had during the last two sessions. I do not know that I shall take the time to read his remarks in full.

Mr. DONNELLY: Did he support reciprocity with the United States?

Mr. SPOTTON: Well "reciprocity" is only a word. We might as well say "man," but there are different types of men. We might say "Do you like apples?" "Well, some kinds of apples." The word "reciprocity" does not mean anything unless there is some equitable trading arrangement behind it.

Speaking of the Liberal party—and when I say "the Liberal party" I want it to be understood that I am speaking not of the Liberal party at large in the country or of all hon. members on the other side of the house, but of the men who are temporarily in control—I wish to say this to the country: The same old crowd that was cast aside in 1930 are in control of the Liberal party to-day. If this government is defeated the people know just exactly whom they are getting back.

Mr. DONNELLY: We will come back at the next election.

Mr. SPOTTON: At school I always noticed that the fellow who walked around with a chip on his shoulder wouldn't fight. I never saw the fellow around the barroom who took off his coat and rolled up his sleeves, fighting. I never boasted that I would be back; I do not know whether I will or not. That rests with my people, but I do know this, that from headquarters here they have sent up their chief—well one of the fellows in my riding calls him the chief statis-ishun; he got the word "statistician" mixed up—in the last ten days saying that Barkis was willing if they would give him the nomination. But I have nothing to say as to who will have it; that is not my job.

In 1911 twenty four years ago the present Prime Minister said in this house:

Too often it has been found that child labour and the work which has been undertaken, especially by married women, in the older countries has involved a loss of vital force in the succeeding generation, and we Canadians—we in this young country—must, it seems to me, if we are true to our best traditions, realize that at best we hold this great land with its brilliant opportunities and its splendid resources as trustees for that posterity which will one day weigh us up in judgment for the manner in which we have discharged the trust reposed in us.

I do not think there has been a time in the history of the Canadian people when it was more apparent that we should have a band of trained experts capable of gathering at first hand full and accurate information for the benefit of the Canadian farmer, manufacturer and workman than in the election that has just passed.

In my judgment, in this complex civilization of ours, the great struggle of the future will be between human rights and the property interests; and it is the duty and the function of government to provide that there shall be no undue regard for the latter that limits or lessens the other.

It is of transcendent importance that this house and this parliament should be seized of the fact that the people demand that some tribunal shall be created that will have control over the extent of the issue of securities by public utility companies, and that the capitalization of industrial concerns should bear some just proportion to the outlay, and to the physical value of the enterprise which it represents.

It is essential that we in Canada, as the greatest partner, should extend our trade so far as possible among the British dominions and with the motherland.

If any hon. member has any doubt, I will give him a report of that speech. I would also refer him to a speech for which I thank the hon. member for Labelle (Mr. Bourassa). We in Ontario thought him a very fiery politician in days of old, but I am glad to know he was fair enough from his place in the house to pay a tribute to the sincerity of our leader, the Prime Minister of Canada.

I would like to have said a word or two about the Farmers' Creditors Arrangement Act, but I will give just one incident that happened in a neighbouring county the other day. A young farmer was bowed down with a first mortgage of $5,000 with $800 accumulated interest, and was paying six and a half per cent to some money Shylock. He had a second mortgage of $1,000 with $400 accumulated interest and was paying six per cent on it. Each year his back was bowed down by a burden of $461 of interest. The $5,800 mortgage was reduced to $5,000 and he gets that for five years at three per cent. The $1,400 mortgage was reduced to $1,200 and he gets that for ten years at two per cent, so that instead of having an interest burden of $461, which no farmer could bear, he went home happy making a new start in life with an interest charge of $174. I wish to thank the Minister of Finance on behalf of the farmers of Ontario, who have been turned down coldly on the word of the deputy minister of agriculture for Ontario, for increasing the amount to $90,000,000.

Mr. ROBERT GARDINER (Acadia): Mr. Speaker, the question now before the house is a subamendment moved by the hon. member for Macleod (Mr. Coote). At the beginning of my remarks it is not my intention to deal with that question, but I will deal with it later on. It is my purpose in rising this afternoon to discuss the very serious situation that we find in certain parts of western Canada, more particularly in the district where I live, in regard to drought conditions. I wish to take some of the time at my disposal to discuss that matter. Some little time ago the Minister of Agriculture (Mr. Weir) stated in the house that it was the intention of the federal government—at least that was as far as they had gone—to deal with that important question. But the statement of the minister was so indefinite that I feel it my duty as representing one of those dried-out areas to discuss the matter a little more fully and more particularly with the intention of laying before the government and the house some proposals that may be of value in that regard.

One of the first things that I wish to discuss with regard to that matter is the question of responsibility. Last session I suggested to one of the ministers of the crown certain things that might be done in order to alleviate the distress, but I was very soon informed that this matter came under the jurisdiction of the provincial government and consequently the federal government, having no jurisdiction, did not think it advisable even to consider the suggestions I made.

Now I want to take the house back to the time when this area was thrown open for settlement. At that time the government of Canada controlled all the unalienated crown lands. In 1909 it was decided by the then Minister of the Interior that this particular area should be thrown open to settlement, because many new settlers were then coming into the country and it was thought advisable to direct them to this area rather than send them farther north where frost conditions were bad at that time. The then Minister of the Interior was from Alberta, no doubt he believed that it was advisable to increase the population of that province as quickly as possible. He finally decided that this area should be opened up for settlement. Before it was opened up, according to information which I have received from officers of the department, not only did the officers of the department advise him against opening this territory for settlement, but people who had been resident in the area for many years also sent in protests advising against opening it for settlement because severe drought conditions prevailed periodically over a large part of it. Notwithstanding all these protests the Minister of the Interior proceeded to invite not only the people of Canada but of the United States or indeed any person who cared to go into that area to follow agricultural pursuits. In so doing he practically intimated to those people that this was a fair agricultural district.

Inasmuch as the federal government then controlled the land in this area, and opened it up and invited the people to go in and follow agricultural pursuits there, I hold that the responsibility for what has occurred rests wholly and solely with the federal government and not the provincial government. That being so it is very important as far as the people in that area are concerned to know as quickly as possible just what the federal government intend to do. I understand that a committee of government officials has been appointed and is studying this matter. I suggest that as soon as possible information as

to what is likely to be done should be made public. Last year certain works were constructed in that area which may be of some advantage, namely, the building of dams to impound the spring water. But that is not sufficient. Furthermore it will be remembered by hon. members that there was some discussion in government circles last year as to the possibility of the federal government declaring this area a federal district, and that they would take full responsibility for that district for some time until their plans were completely carried out. Recently we have had no intimation from the government as to whether they are going to follow that proposal or not. In fact the proposals coming from the government are so indefinite as to leave us quite in the air.

One thing to which I wish to call the attention of the house is the tremendous loss occasioned to the people who went into that area. Those of us who have had the experience of homesteading, recognize that some of the new settlers did not fit in with that way of life. But in this particular area, after a few years, the people of that class had been practically eliminated, had left the district, and there remained a very fine type of settler, people who knew how to farm, who followed the most intensive farming practices according to the recommendations of our agricultural department and more particularly of the officers of the experimental farms. But notwithstanding that the people in there have suffered severe loss, so much so that many of them have left the district. The district is now becoming depopulated. To the credit of those who went in there early, they left with practically nothing, notwithstanding that many of them went in with considerable sums of money. In most cases the farmers of the area of which I speak followed the recommendations of those who knew something about intensive agriculture in western Canada, but notwithstanding that, we learned from experience that some of those practices were very detrimental in the final analysis. Take for instance the recommendation of the officials of the Department of Agriculture that in an area subject to drought the land should be summer fallowed every other year. That practice we have found to be very detrimental, but we did not know it at first, and so we have to meet its consequences. The result has been that through intensive summer fallowing and intensive cultivation the fibre in that part of the country has been lost, most of it has been blown away by the high winds. The settlers cannot be blamed for having followed practices recommended to them by men supposed to know. I do not blame the officials of the department for making those recommendations, I know that as far as western Canada generally is concerned those recommendations proved very satisfactory.

The situation then is that one of the first things that we must try to accomplish in that dry area is to restore the fibre to the soil, and the only way that can be done efficiently is to seed it down to grass. But as far as the settlers now there are concerned they have no funds to provide grass seed nor are they in a position to secure any. I submit to the government, having in mind particularly the fact that some study has been given by the officers of the Department of Agriculture to the most suitable types of grass seed that should be sown in that area, that the government must make provision whereby most of the settlers at any rate can get a small supply of grass seed for the purpose of seeding without cost to themselves. Unless some such policy is followed and until such time as we have restored the fibre to the land in that area, I submit that any of the other proposals, no matter how important they may be, will prove of much less value than they otherwise might be. We have to keep that land from blowing, and there is no doubt in my mind that we cannot do so unless we get fibre back into it. That being so I submit that one of the first things the government must do is try to secure a supply of grass seed. I do not ask that large quantities be given each farmer, but I do suggest that a reasonable quantity be given the farmer so that he can have a plot and develop his own seed until he has sufficient for the future.

The next suggestion I wish to make is that strip farming be encouraged. I must admit, of course, that this practice has been followed in some parts of the drought areas in the west for some years. In travelling over those dry areas, however, I have found that many farmers have not as yet realized the possible benefits that may be derived from strip farming. By means of strip farming, and having stubble a certain distance apart, to some extent you do break up the surface winds which move the soil, and that helps a little. In my judgment it is not as good a method as restoring the fibre but it will help until such time as that fibre can be restored.

The next proposal I wish to make is one which I made in 1922, when the drought area was comparatively small in relation to the drought area of to-day; that is, the

planting of trees. I do not mean the planting of trees in large blocks; I mean the planting of shelter belts at least on the west side of every farm, and those shelter belts should be at least four rods wide. In 1922 I suggested that in order to encourage the farmers of the dry areas to plant trees the government should give those farmers some financial assistance. Some may object to that, but I see greater possibilities in the planting of trees than in almost any proposal other than the sowing of grass seed. If we had a policy under which it would be possible for the government to make a small contribution to the farmers to enable them properly to cultivate their land before planting the trees; to see to it that they get the proper kind of trees for that area, and that after planting the trees they cultivate them for a few years, until no further cultivation can be carried on because of the growth of the trees, I think a great deal of good would result. If we had the shelter belts on one side of the road allowance running north and south, which would mean every mile, I am sure that when the hot winds come along from the southwest and blow through those trees, soon it would be cooled down and the atmosphere would be much cooler than it is at the present time. It is plain that when a hot wind passes through plants or trees, evaporation from the leaves takes place and the wind is cooled; consequently this would be beneficial to agriculture. But there is no use in individual persons trying to accomplish this result; it must be of government policy. The farmers must be assisted to some extent by the government in order that they may be induced to see to it that their land is properly prepared in the first place and that they get the trees recommended by the officers of the department for planting in that particular area. In some areas the land is a little on the light side; that land might properly be planted with large tree plantations, which would be very beneficial also. I do submit, however, that we need tree belts or shelter belts at least every mile, running north and south, and when this is properly carried out I am sure we will not have the severity of drought in that area that we have experienced in the past.

I remember that last winter I had a conversation with a friend of mine living at Claresholm, during which we discussed by and large the whole question of this drought area and what was likely to happen in the future. This gentleman told me of an experience he had on his own farm. He said, "You know, we had some hot winds in our area this year, such as we never had before. I have a shelter belt on the west side of my farm, and I sowed oats right alongside that belt. For the first forty or fifty rods in I had a crop of 60 or 70 bushels of the finest oats I ever grew, but as I got further away from the shelter belt the crop began to dwindle until at the far end there was no crop at all." That is a practical experience which substantiates what I stated in this house in 1922, that it is very essential that we extend assistance to the farmers in planting trees and in directing them as to the best manner in which to take care of those trees, which should be a part of the government policy in regard to this drought area. It may take a good deal of time to accomplish this end, but in view of the fact that that country is really worth while and that when we get reasonable moisture conditions there is no part of western Canada that can produce more efficiently or more heavily than that territory, I submit that it is certainly worth while. We have wonderful soil there, and I submit that it will be to the future advantage of Canada to give really serious consideration to this matter.

I have already referred to the construction of a few dams last year to impound the spring floods, but the amount of work done last year in comparison with the territory to be covered was so small that it appears to me that if this phase of our activity in trying to reclaim our drought area is worth while it will have to be taken up on a very much larger scale than it was last year. We made a beginning then, but the point that has been exercising my mind is this: Are the federal government making any contribution to that work, or is it being left wholly and solely on the shoulders of the provincial government? At this late date, after the federal government who controlled the natural resources of our province until very recently have disposed of the greater portion of those resources, it is hardly fair that the provincial government should be left with this burden, unaided by the federal government. I still take the stand, and I wish to reiterate what I have already stated, that in my judgment the responsibility rests very largely with the federal government inasmuch as the federal government was responsible for inviting people to settle in that area.

Mr. RHODES: Will the hon. gentleman permit one question for the purpose of information? Was there any objection on the part of the province at the time to that land being opened up by the dominion government?

Mr. GARDINER: The province had no jurisdiction over it and so far as I know the province was not consulted. As a matter of fact I do not suppose the provincial government of that day had any information as to the nature of that country. I believe this land was opened for settlement in 1908 or early in 1909, consequently the provincial government would not have much information.

The next suggestion I wish to make unfortunately would not apply to the entire drought area, but in 1922 or 1923 the Department of the Interior surveyed the section of the country in which I live in order to determine whether or not it could be irrigated. I know that when I mention irrigation the minds of some hon. members of this house who know something about the subject will revert immediately to the problems we have had in connection with the irrigation districts of southern Alberta. However, this is not simply an irrigation proposal. In 1922 and 1923, as I have already stated, the Department of the Interior surveyed this territory to determine the possibilities of irrigation from the Red Deer river, and they found that it was quite feasible. They found that if they could impound enough water in the Red Deer river from the spring floods and the melting of the snow in the mountains in June and July, they could run the main ditch so as to take in all the territory I represent and right up almost to Saskatoon.

There has been a proposal made in the last two years, and this proposal I submitted to the government last year, that this Pierce stock watering scheme, as it is termed, be undertaken by the federal government. The proposal is simply this: to dam up the waters of the Red Deer river, to impound all the surplus water that comes down that river and goes eventually out to Hudson bay, and to make use of it for the settlers within that area. As I have already stated, it is not proposed to make simply an irrigation scheme of it. What the settlers in that part of the country suggest is that the dam be built and the main ditch dug, and that in so far as any other development is concerned it be left to the municipalities, with engineering advice to guide them. The idea of the proposal is simply this: We have many lakes which in the last few years have gone dry. When these lakes and the large sloughs were full of water, we had generally speaking a reasonable amount of moisture and splendid atmospheric conditions. The people of that area believe that with the development of this Pierce stock watering scheme, and the bringing of the water into the low places, some of the humidity will be restored that has been lost on account of the lakes having dried up. I do not know what the cost is likely to be, but I submit that if the cost is reasonable it is a project which the government might well consider, because it would serve two important purposes. First it would assist in restoring the humidity in that part of the country, and second, it would provide ample water for the watering of stock, which can be raised fairly well in that part of the country, but into which people are now afraid to go very deeply because of the shortage of water. The scheme I believe is well worth considering. I am satisfied that it would be of great advantage, and taken in conjunction with some of the other suggestions I have made I am sure that in time it would help us to overcome the worst effects which the drought situation has created in that part of the country.

I do not propose to say any more in this regard, other than to remind the government that the people in these dried out areas are looking very anxiously for the government's program, and if the government is in a position to announce that program at an early day such an announcement will have a very beneficial effect on the minds of the people living in those areas. We realize the immensity of the job that lies before us. We do not expect to overcome the situation in a year or two years; it will take time, but, may I repeat, in my judgment it is worth while in the interests of Canada as a whole that the best brains available should tackle this big problem and let the people know the results as soon as possible.

I wish to devote a few minutes of my remaining time to a discussion of the question that is now before the house, namely the amendment moved by the hon. member for Macleod (Mr. Coote). It is not necessary for me to read the amendment. Suffice it to say that the amendment calls the attention of the house to the fact that we have in Canada immense potentialities for the production of the food, clothing and shelter which the people of this country require. It also invites the attention of the house to the fact that there is an apparent shortage of purchasing power, which means that the people cannot buy the goods that are available or the goods that can be produced. There may be some difference of opinion as to whether there is a deficiency of the purchasing power necessary to purchase all the goods that are available, or whether it is that the purchasing power which is available is not properly distributed and that

through this maldistribution many people are not in a position to satisfy their requirements. But we do know that there is a maldistribution of purchasing power, and we do know that there are people who have too much purchasing power, or at least more than they can use. We know also that there are many people who have no purchasing power at all, and in consequence many families to-day, as has been so often stated in this house, have to depend either upon the dole or upon charity.

The question of purchasing power is a very important one, and I regret to say that with one slight exception, the surtax which the finance minister proposes to place on unearned incomes over $14,000, the budget does not even begin to deal with the most important question that is facing the Canadian people to-day. I appreciate what the minister has done in respect to the surtax on unearned incomes, but it is so small in comparison with what is required that I am amazed that governments refrain from doing that which they have the power to do, the things which are necessary in the interests of the people.

I realize of course, Mr. Speaker, that the present situation is a product of the capitalist system, and is bound to continue just so long as we permit profit to be exacted. There can be no question about that. Just so long as we permit profit to be exacted, just so long will this condition continue, and no legislation that does not touch the real problem, namely profit, can ever do more than touch the fringe of the problem we have to meet. Profit has been described as monetary or financial gain for which no goods or services are given in return; that is to say, those who make a profit get something for nothing. By virtue of the fact that they get something for nothing they are in a position to pile up wealth, and through that accumulation of wealth they have a control of purchasing power equal to their accumulation of wealth. That being so, the house must recognize the fact that all these measures so called for the benefit of the people, while they may be of some value, will soon have their value dissipated because under the profit system people eventually will make a profit out of them.

The question then arises, are we going to continue the profit system? Just so long as profit is permitted, and people who make profits get something for nothing, as I have already said they do, the concentration of wealth will continue. In addition the concentration of purchasing power will continue, so much so that people will say, whether it is correct or not, that there is a definite shortage of purchasing power, and that therefore the necessary purchasing power should be made up from some other source than the present available sources. I am satisfied that the worst factor at the present time is the concentration of wealth with its consequent concentration of purchasing power. I think it was two years ago that I suggested to the Minister of Finance that during the depression he might take all incomes over $25,000 and use them for the state. This was not done. I think this was a logical suggestion, having in mind the purchasing power which is concentrated in the hands of the few. I put figures on record last year which showed conclusively that three and a half per cent of the people of this country own sixty-seven per cent of the wealth. If that is so, it naturally follows that three and a half per cent of the people possess sixty-seven per cent of the purchasing power.

The situation to-day is different from what it was ten years ago. At that time there were still opportunities for safe and profitable investment, not only in Canada but in other countries. Because of the development of industrial plant and equipment in all the countries of the world, with the exception of Russia and parts of Asia, the opportunity for the investment of surplus purchasing power is no longer available. This surplus purchasing power is in the hands of people who already have more than they can spend on their own personal needs. The goods which this surplus purchasing power might buy remains on the shelf and there is unemployment. Until this purchasing power is forced into circulation, through legislation, some form of taxation or by other means, these goods will remain on the shelves and many of the people of Canada will be without profitable work. In the face of conditions such as these I cannot get wildly enthusiastic over the budget.

Hon. members opposite have referred to this budget as a poor man's budget. I do not think they ever made a truer statement in their lives. It is a poor man's budget because it will keep the poor man poor. Under these circumstances I feel it my duty to support the subamendment moved by my friend and colleague, the hon. member for Macleod. I believe that this subamendment deals with the crux of the situation, the distribution of the purchasing power of this country to permit the people to buy what they require. I do not believe it is advisable to distribute this purchasing power to the people without their giving some service in return, provided they

are physically able to do so. With all the machinery of government and with all the power that parliament enjoys, I think we could devise ways and means whereby this purchasing power could be distributed to the people in return for their labour.

Miss AGNES MACPHAIL (Southeast Grey): Mr. Speaker, I desire to assure hon. members that I am not going to make a speech. I should be finished in five or ten minutes.

Some hon. MEMBERS: Hear, hear.

Miss MACPHAIL: I do not think hon. members should be so enthusiastic over that statement.

I did not want to interrupt the hon. member for North Huron (Mr. Spotton) while he was speaking but I do feel that I should make a statement in connection with the delegation appointed by the mass meeting of farmers of Ontario and Quebec who came to Ottawa two years ago to interview the Prime Minister (Mr. Bennett). I always enjoy listening to the hon. member for North Huron. I remember seeing him at this meeting and I know he was interested in its success. I understood him to say that he believed that the farmers who attended this mass meeting did not expect either the Prime Minister or any other minister to come to address them. I know that the hon. member believes that his understanding of the case is the right one, but he is mistaken.

This matter has been discussed before but I should like to give the facts again so that they will appear in the same Hansard as the remarks of the hon. member. Many meetings were held throughout Ontario and I believe I addressed at least twenty. I might mention that the audiences were quite large. At all times I adopted a nonpartisan attitude as I was interested only in the monetary question. I wanted the British pound sterling to be worth at least parity in Canadian funds, or even more than par. It must be remembered that we are competing with Australia, the Argentine and Denmark and the British pound is now and was then worth more in the currencies of those countries than it is here. I do not think anyone listening to me could have told what were my politics. I tried to be absolutely fair to the government and in many instances the people who presided over the meetings I addressed were members of the Conservative party. Four thousand farmers came to Ottawa at their own expense and in some cases this expense was considerable. I do not believe anyone would expect 4,000 people to come to Ottawa to discuss matters of exchange without being able to see any member of the government. The arrangements with the Prime Minister were made by Mr. R. J. Scott, who comes from North Huron. I know Mr. Scott quite well and I suggested to him that as the Prime Minister was very busy any delegation which might go to invite him to the large assembly should be exactly on time. I had nothing further to do with the matter nor did I have any further conversation with Mr. Scott. It was not until afterwards that I learned that the delegation had been one hour late for their appointment. This should not have happened.

They went up to ask the Prime Minister to come to the large assembly. He did not come. The astonishing thing is that the Minister of Agriculture (Mr. Weir) was with the Prime Minister when he was interviewed by this small group and he did not come down to the large assembly either. This group asked the Prime Minister to address them or to send someone in his stead. Up to this point this large audience of 4,000 had been remarkably friendly to the Prime Minister but they were anything but friendly when their representatives came back and told them that no member of the government would be down to address them. I have talked over this matter with the Prime Minister who tells me—I accept his explanation—that he did not understand that he or any other member of the government was expected to go to address this large assembly. Apparently he and Mr. Scott had misunderstood each other and the Prime Minister did not know otherwise until the small group interviewed him. I accept this explanation but I say to the hon. member for North Huron and to the government that they must accept full responsibility for not addressing the assembled farmers. These 4,000 people had come to Ottawa from two different provinces to see the government in connection with a matter which vitally concerned their industry. I was surprised that anyone should make such a political blunder. I felt that day and I still feel that the government has caused a loss to the farmers of millions of dollars through keeping the value of the British pound so low in Canadian funds. Had the Prime Minister interviewed this gathering he would have found an audience anxious to put before him a matter which was vital to them, and in all probability this might have had some effect upon the Prime Minister's subsequent action in con-

nection with exchange. I felt I must say this in order that the hon. member for North Huron and I would understand each other.

I think we should have an immediate election. I see no reason why the house should adjourn for five weeks. We have carried on now for some time during the Prime Minister's illness, which the whole house regrets; the whole house wishes him restored to his usual buoyant health, and we will welcome him back. But since the house has carried on for a considerable time now without him, I see no reason why we should not continue to do so until the end of the session. We owe this to the people, because after all we are all representatives of the people, from the Prime Minister down or from the private member up, whichever way you like to look at it. We have been elected by the people to attend to their business and there is no doubt that the people of Canada want an election. That being so, I cannot see any reason why an election should be delayed until the autumn, because by that time we shall be well into the harvest, and an election then is difficult in country districts, certainly for the west. June is the time for an election, because it is the month in all the year when the farmers are freest. The general opinion is that June is the best month. July, which the last government found a favourable month, is certainly a hot one —I mean the weather—and there are all sorts of difficulties, in connection with teachers, and vacationists generally; they are inconvenienced. No one is less certain of what the Liberal party intend to do if they are elected than I am; in fact, my greatest concern is what that party will do if they are elected. If they become the government it will be a serious thing for Canada, should they not know their own minds any better then, than apparently they do now.

Mr. LAPOINTE: She knows we are going to be returned, though.

Miss MACPHAIL: It almost looks that way, and for that reason I think the Liberals ought to make up their minds on policy now. At any rate, I submit that we ought to have an election as soon as possible, and for that reason I will support the Liberal amendment—not for any meat there is in the amendment, I assure you.

The hon. member for Brome-Missisquoi (Mr. Pickel) said some interesting things in his speech last night. I read it over carefully to-day and I wish to make one or two comments on what the hon. gentleman said. He is worried about the young people. I quote:

> If you tell them to gee they will haw, and if you tell them to go east they will go west.... I do not know how we are going to discipline them; to my mind that is certainly a serious question.... To my mind our most important problem is our young people, girls as well as boys; one is as bad as the other. Where are they going?

I was wondering whether youth has any real reason to revere and trust age at this particular time. This generation has seen youth tricked and betrayed in the world war and in the peace which has followed it. The young people went to the war and the old people stayed comfortably at home and died in bed, though not soon enough, unfortunately. And then the young people have had to go through a period of five or six years, the blackest years we have known. No one has suffered more than youth. We want them to be diligent at school and to study, but when they get through what have we to offer them? We know that some of the older people are directors in twenty-five or thirty companies, drawing a remuneration for every directorship. There are people in high places in Ontario who are certainly very old, while the young people can find no place at all. I must say I cannot see why at this moment youth should be very enthusiastic about following the vision of age. I have respect for age, but I have respect for youth also, and I do think that the outlook of youth is more likely to be one that will help us in the present and in the future than the outlook of age. I do think too that young people are losing faith as they never did before, because they see all around them an abundance of everything and want at the same time. They realize that we have enough but that we have not learned how to distribute it. The best way any of us can keep youth is by precept and example, and this age has been a peculiarly hypocritical one. One likes to hunt for words that sound mild enough to be spoken, but it is difficult always to find the right ones. At any rate, no one can deny that our whole educational system, our religious system, our business, politics, finance and commerce have all been to a degree hypocritical. We know that we have worshipped one set of ideals while our practice has been quite another thing.

The young people are not fooled. They know that if teachers in universities to-day discuss the things they really do believe they may not be teachers much longer. This is not true universally but it is all too true in high places, whether in journalism, politics or commerce, and sometimes even in religion. The youth know that these people are not always doing the things they profess when they are talking to them about high ideals; they

know that when they are talking high ideals they are doing so with their tongue in their cheek. This is one of the things that one does not have to prove. There are of course individual exceptions. There are exceptions in all the fields I have mentioned, and that makes one happy.

Youth was never finer or more courageous than to-day; it is adventurous. The young people are ready to do and suffer for a better day. But there have been illusions about reaching the top. In the last twenty years we have heard a good deal about ambition and striving for great wealth and getting to the top. I never know where it is, however —the top of this profession, the top of this, that and the other—but probably one thing that has disillusioned youth is some of the stuffed shirts at the top. Perhaps looking at the top in all our Canadian life has not been very edifying to youth, and the young people are wondering whether it is worth the effort to get to the top. I hear many of them say that. What they want to do is to live harmonious, happy lives wherever they are among their fellow men, whether at the top or halfway down, or wherever they may be.

I was thinking too, if youth can undergo the stuffing which we call education and the advice and domineering which we call discipline, and still retain its personality and spirit, that speaks well for it, and we have nothing to fear from the future because after all youth can serve only if it moulds institutions, ideals and customs to its uses and needs. Youth never serves by following age. Age always thought youth was, well heading off in some very dangerous direction, but always youth is leading out and on. So I felt, since there might not be anyone else to say it, I would say what I feel is in the hearts of a great many young people throughout Canada.

I am not going to discuss the budget at all. I thought Gerry McGeer, Mayor of Vancouver, really struck the secret of budget making the other night when he as one of the mayors addressed some of the members in the railway committee room. He said: "If you cannot make a budget balance, take out of it the items that cause it not to balance and put them into extraordinary account." That is the secret of budget making these days.

I have only one thing to say on the whole subject of finance and that is that it is very clear to me—in fact it is so clear I cannot interest myself in many other aspects of our national problem, because after all it is one great problem—that we must from now on begin to finance consumption and not only production of goods. We have so far thought all we needed to do was to finance the production of goods, and consumption of goods would take care of itself. I do not think that is true and we are all begininng to realize it is not. We are now just about ready to contemplate the short-circuiting of money from the source of supply to consumptive channels without passing through production. I believe in that general statement lies the progress which we will make in the future. It seems at the moment too odd to be seriously contemplated and classical economists still are pooh-poohing it and saying we must not think of anything that is quite so simple. Yet I suppose that if, when Watt first discovered that steam would lift the lid of a tea-kettle, he had told anybody he thought that power would some day revolutionize industry, people would have looked upon him as a madman. It is no more unusual than that to believe there is a bad gap in our financial system. If it is true that dividends, salaries and wages paid out in any industry are never sufficient to buy back at the ticketed price all the goods produced by that industry, there certainly is a gap and it will have to be bridged by methods which we have not used before. I believe the solution of the agricultural and unemployment problems lies in this new theory of money. I expect to see it growing in favour as time goes on until finally it will be accepted as orthodox and will then become quite the thing.

The house divided on the amendment to the amendment (Mr. Coote) which was negatived on the following division:

YEAS

Messrs:

Coote	MacInnis
Gardiner	Macphail, Miss
Garland (Bow River)	Mitchell
Heaps	Speakman
Irvine	Spencer
Lucas	Woodsworth—12.

NAYS

Messrs:

Ahearn	Bourgeois
Anderson (Toronto-High Park)	Bowen
Anderson (Halton)	Boyes
Arsenault	Bradette
Arthurs	Brasset
Baker	Brown
Barber	Bury
Baribeau	Cahan
Barrette	Campbell
Beaubien	Carmichael
Beaubier	Casgrain
Belec	Chaplin
Bell (Hamilton West)	Charters
Bell (St. John-Albert)	Chevrier
Bertrand	Church
Blair	Cowan
Bothwell	Davies
Bouchard	Desrochers
Boulanger	Dickie
	Donnelly

Dubois
Duff
Duguay
Dumaine
Dupuis
Duranleau
Edwards
Elliott
Embury
Esling
Factor
Fiset, Sir Eugène
Fontaine
Fournier
Fraser (Cariboo)
Fraser (Northumberland, O.)
Gagnon
Geary
Girouard
Gobeil
Golding
Gray
Guthrie
Hackett
Hall
Hanbury
Hanson (Skeena)
Hanson (York-Sunbury)
Harris
Hay
Howden
Ilsley
Jacobs
Johnstone
Kennedy (Winnipeg South Centre)
Lacroix
Laflèche
Lapointe
Larue
Laurin
Lawson
Loucks
Macdonald (Kings)
Macdougall
MacMillan (Mackenzie)
MacNicol
McDade
McGibbon
McGillis
McGregor
McIntosh
McKenzie (Assiniboia)
McKinnon
McLure
McPhee
Maloney
Manion
Marcil
Matthews
Mercier (Laurier-Outremont)
Mercier (St. Henri)
Mills
Moore (Ontario)
Morand
Motherwell
Mullins
Mulock
Munn
Murphy
Myers
Neill
Parent
Peck
Perley (Qu'Appelle)
Perley, Sir George
Perras
Pettit
Pickel
Plunkett
Porteous
Pouliot
Power
Price
Quinn
Reid
Rennie
Rinfret
Roberge
Robinson
Ross
Rowe
Ryerson
St-Père
Sauvé
Séguin
Shaver
Short
Simpson (Simcoe North)
Simpson (Algoma West)
Smith (Victoria-Carleton)
Smith (Cumberland)
Smoke
Spence
Spotton
Sproule
Stanley
Stewart (Leeds)
Stewart (Lethbridge)
Stinson
Stirling
Stitt (Nelson)
Sullivan
Sutherland
Taylor
Thauvette
Totzke
Tummon
Turnbull
Veniot
Weese
Weir (Melfort)
White (London)
White (Mount Royal)
Willis
Wright
Young—165.

Mr. FERLAND (Translation): I was paired with the Solicitor General (Mr. Dupré). Had I voted, I would have voted against the sub-amendment.

Mr. FAFARD (Translation): I was paired with the hon. member for Lévis (Mr. Fortin). Had I voted, I would have voted against the sub-amendment.

Mr. DESLAURIERS (Translation): I was paired with the hon. member for Shefford (Mr. Tétreault). Had I voted, I would have voted against the sub-amendment.

Mr. DORION (Translation): I was paired with the hon. member for Lotbinière (Mr. Verville). Had I voted, I would have voted against the sub-amendment.

The house divided on the amendment (Mr. Ralston) which was negatived on the following division:

YEAS

Messrs:

Ahearn
Beaubien
Bertrand
Blair
Bothwell
Bouchard
Boulanger
Bradette
Brasset
Brown
Campbell
Casgrain
Cheyrier
Coote
Desrochers
Donnelly
Dubois
Duff
Dumaine
Dupuis
Elliott
Factor
Fiset, Sir Eugène
Fontaine
Fournier
Fraser (Northumberland, O.)
Gershaw
Girouard
Golding
Gray
Hall
Hanbury
Hanson (Skeena)
Heaps
Howden
Ilsley
Jacobs
Lacroix
Lapointe
MacInnis
MacMillan (Mackenzie)
Macphail, Miss
McIntosh
McKenzie (Assiniboia)
McKinnon
McPhee
Marcil
Mercier (Laurier-Outremont)
Mercier (St. Henri)
Mills
Mitchell
Moore (Ontario)
Motherwell
Mulock
Munn
Neill
Parent
Perras
Pouliot
Power
Reid
Rennie
Rinfret
Roberge
St-Père
Séguin
Stewart (Edmonton West)
Taylor
Thauvette
Totzke
Veniot
Woodsworth
Young—73.

NAYS

Messrs:

Anderson (Toronto-High Park)
Anderson (Halton)
Arsenault
Arthurs
Baker
Barber
Baribeau
Beaubier
Belec
Bell (Hamilton West)
Bell (St. John-Albert)
Bourgeois
Bowen
Boyes
Bury
Cahan
Carmichael
Chaplin
Charters

Church	Myers
Cowan	Peck
Davies	Perley (Qu'Appelle)
Dickie	Perley, Sir George
Duguay	Pettit
Duranleau	Plunkett
Edwards	Porteous
Embury	Price
Esling	Quinn
Fraser (Cariboo)	Robinson
Gagnon	Ross
Gardiner	Rowe
Geary	Ryerson
Gobeil	Sauvé
Gordon	Shaver
Guthrie	Short
Hackett	Simpson
Hanson (York-Sunbury)	(Simcoe North) Simpson (Algoma West)
Harris	Smith
Hay	(Victoria-Carleton)
Irvine	Smith (Cumberland)
Johnstone	Smoke
Kennedy (Winnipeg South Centre)	Speakman
Laflèche	Spence
Larue	Spencer
Laurin	Spotton
Lawson	Sproule
Loucks	Stanley
Lucas	Stewart (Leeds)
Macdonald (Kings)	Stewart (Lethbridge)
Macdougall	Stinson
MacNicol	Stirling
McDade	Stitt (Nelson)
McGibbon	Sullivan
McGillis	Sutherland
McGregor	Tummon
McLure	Turnbull
Malonev	Weese
Manion	Weir (Melfort)
Matthews	White (London)
Morand	White (Mount Royal)
Mullins	Willis
Murphy	Wright—104.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Barrette	Rhéaume
Bell (St. Antoine)	Raymond
Bennett	King
Beynon	Euler
Burns	Butcher
Cantley	Cardin
Casselman	Howard
Cotnam	Hurtubise
Dorion	Verville
Dupré	Ferland
Fortin	Fafard
Ganong	Michaud
Garland (Carleton)	Goulet
Gott	Rutherford
Jones	McLean
MacDonald (Cape Breton)	Urquhart
MacMillan (Saskatoon)	Mackenzie (Vancouver)
Moore (Châteauguay-Huntingdon)	Dubuc
Pickel	Boucher
Rhodes	Ralston
Senn	Sanderson
Stevens	Malcolm
Stitt (Selkirk)	Weir (Macdonald)
Tétreault	Deslauriers
Thompson (Simcoe East)	Jean
Thompson (Lanark)	Luchkovich
Wilson	Vallance.

Mr. SENN: I was paired with the hon. member for South Perth (Mr. Sanderson). Had I voted I would have voted against the amendment.

Mr. CASSELMAN: I was paired with the hon. member for Sherbrooke (Mr. Howard). Had I voted I would have voted against the amendment.

Mr. MOORE (Châteauguay-Huntingdon): I was paired with the hon. member for Chicoutimi (Mr. Dubuc). Had I voted I would have voted against the amendment.

Mr. MacDONALD (Cape Breton South): I was paired with the hon. member for Colchester (Mr. Urquhart). Had I voted I would have voted against the amendment.

Mr. PICKEL: I was paired with the hon. member for Yamaska (Mr. Boucher). Had I voted I would have voted against the amendment.

Mr. COTNAM: I was paired with the hon. member for Nipissing (Mr. Hurtubise). Had I voted I would have voted against the amendment.

Mr. CANTLEY: I was paired with the hon. member for Richelieu (Mr. Cardin). Had I voted I would have voted against the amendment.

Mr. BELL (St. Antoine): I was paired with the hon. member for Beauharnois (Mr. Raymond). Had I voted I would have voted against the amendment.

Mr. GARLAND (Carleton): I was paired with the hon. member for Russell (Mr. Goulet). Had I voted I would have voted against the amendment.

Mr. STITT (Selkirk): I was paired with the hon. member for Macdonald (Mr. Weir). Had I voted I would have voted against the amendment.

Mr. PERLEY (Qu'Appelle): I was paired with the hon. member for Vancouver North (Mr. Munn). Had I voted I would have voted against the amendment.

Mr. VALLANCE: I was paired with the hon. member for Wentworth (Mr. Wilson). Had I voted I would have voted for the amendment.

Mr. MACKENZIE (Vancouver): I was paired with the hon. member for Saskatoon (Mr. MacMillan). Had I voted I would have voted for the amendment.

Mr. BRADETTE: I voted, Mr. Speaker, but I should not have done so. I did not notice that my pair was not in the house at the time.

Mr. MACKENZIE KING: I was paired with the right hon. Prime Minister (Mr. Bennett). Had I voted I would have voted for the amendment.

Mr. LUCHKOVICH: I was paired with the hon. member for Lanark (Mr. Thompson). Had I voted I would have voted for the sub-amendment and against the amendment.

Mr. FERLAND (Translation): I was paired with the Solicitor General (Mr. Dupré). Had I voted, I would have voted for the amendment.

Mr. DESLAURIERS (Translation): I was paired with the hon. member for Shefford (Mr. Tétreault). Had I voted, I would have voted for the amendment.

Mr. FAFARD (Translation): I was paired with the hon. member for Levis (Mr. Fortin). Had I voted, I would have voted for the amendment.

Mr. DORION (Translation): I was paired with the hon. member for Lotbiniere (Mr. Verville). Had I voted, I would have voted against the amendment.

Mr. BARRETTE (Translation): I was paired with the hon. member for St. John's-Iberville (Mr. Rhéaume). Had I voted, I would have voted against the amendment.

The house divided on the motion (Mr. Rhodes) which was agreed to on the following division:

YEAS

Messrs:

Anderson (Toronto-High Park)
Anderson (Halton)
Arsenault
Arthurs
Baker
Barber
Baribeau
Beaubier
Belec
Bell (Hamilton West)
Bell (St. John-Albert)
Bourgeois
Bowen
Boyes
Bury
Cahan
Carmichael
Chaplin
Charters
Church
Cowan
Davies
Dickie
Duguay
Duranleau
Edwards
Embury
Esling
Fraser (Cariboo)
Gagnon
Geary
Gobeil
Gordon
Guthrie
Hackett
Hanson (York-Sunbury)
Harris
Hay
Johnstone
Kennedy (Winnipeg South Centre)
Laflèche
Larue
Laurin
Lawson
Loucks
Macdonald (Kings)
Macdougall
MacNicol
McDade
McGibbon
McGillis
McGregor
McLure
Maloney
Manion
Matthews
Morand
Mullins
Murphy
Myers
Peck
Perley, Sir George
Pettit
Plunkett
Porteous
Price
Quinn
Robinson
Ross
Rowe
Ryerson
Sauvé
Shaver
Short
Simpson (Simcoe North)
Simpson (Algoma West)
Smith (Victoria-Carleton)
Smith (Cumberland)
Smoke
Spence
Spotton
Sproule
Stanley
Stewart (Leeds)
Stewart (Lethbridge)
Stinson
Stirling
Stitt (Nelson)
Sullivan
Sutherland
Tummon
Turnbull
Weese
Weir (Melfort)
White (London)
White (Mount Royal)
Willis
Wright—98.

NAYS

Messrs:

Ahearn
Beaubien
Bertrand
Blair
Bothwell
Bouchard
Boulanger
Brown
Campbell
Casgrain
Chevrier
Coote
Desrochers
Donnelly
Dubois
Duff
Dumaine
Dupuis
Elliott
Factor
Fiset, Sir Eugène
Fontaine
Fournier
Fraser (Northumberland, O.)
Gardiner
Garland (Bow River)
Gershaw
Girouard
Golding
Gray
Hall
Hanbury
Hanson (Skeena)
Heaps
Howden
Ilsley
Irvine
Jacobs
Lacroix
Lapointe
MacInnis
MacMillan (Mackenzie)
Macphail, Miss
McIntosh
McKenzie (Assiniboia)
McKinnon
McPhee
Marcil
Mercier (Laurier-Outremont)
Mercier (St. Henri)
Mills
Mitchell
Moore (Ontario)
Motherwell
Mulock
Neill
Perras
Pouliot
Power
Reid
Rennie
Rinfret

Roberge	Taylor
St-Père	Thauvette
Séguin	Totzke
Speakman	Veniot
Spencer	Woodsworth
Stewart (Edmonton West)	Young—74.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Barrette	Rhéaume
Bell (St. Antoine)	Raymond
Bennett	King
Bevnon	Euler
Burns	Butcher
Cantley	Cardin
Casselman	Howard
Cotnam	Hurtubise
Dorion	Verville
Dupré	Ferland
Fortin	Fafard
Ganong	Michaud
Garland (Carleton)	Goulet
Gott	Rutherford
Jones	McLean
MacDonald (Cape Breton)	Urquhart
MacMillan Saskatoon)	Mackenzie (Vancouver)
Moore (Châteauguay-Huntingdon)	Dubuc
Pickel	Boucher
Rhodes	Ralston
Senn	Sanderson
Stevens	Malcolm
Stitt (Selkirk)	Weir (Macdonald)
Tétreault	Deslauriers
Thompson (Simcoe East)	Jean
Thompson (Lanark)	Luchkovich
Wilson	Vallance
Swanston	Lucas.

Mr. VALLANCE: I was paired with the hon. member for Wentworth (Mr. Wilson). Had I voted I would have voted against the motion.

Mr. MACKENZIE (Vancouver): I was paired with the hon. member for Saskatoon (Mr. MacMillan). Had I voted I would have voted against the motion.

Mr. MACKENZIE KING: I was paired with the right hon. the Prime Minister (Mr. Bennett). Had I voted I would have voted against the motion.

Mr. BUTCHER: I was paired with the hon. member for Portage la Prairie (Mr. Burns). Had I voted I would have voted against the subamendment, for the amendment and against the motion.

Mr. CASSELMAN: I was paired with the hon. member for Sherbrooke (Mr. Howard). Had I voted I would have voted for the main motion.

Mr. MacLEAN: I was paired with the hon. member for Royal (Mr. Jones). Had I voted I would have voted against the motion.

Mr. PERLEY (Qu'Appelle): I was paired with the hon. member for Vancouver North (Mr. Munn). Had I voted I would have voted for the motion.

Mr. SENN: I was paired with the hon. member for South Perth (Mr. Sanderson). Had I voted I would have voted for the motion.

Mr. LUCAS: I was paired with the hon. member for Maple Creek (Mr. Swanston). Had I voted I would have voted against the motion.

Mr. CANTLEY: I was paired with the hon. member for Richelieu (Mr. Cardin). Had I voted I would have voted for the motion.

Mr. MacDONALD (Cape Breton South): I was paired with the hon. member for Colchester (Mr. Urquhart). Had I voted I would have voted for the motion.

Mr. MOORE (Châteauguay-Huntingdon): I was paired with the hon. member for Chicoutimi (Mr. Dubuc). Had I voted I would have voted for the motion.

Mr. BELL (St. Antoine): I was paired with the hon. member for Beauharnois (Mr. Raymond). Had I voted I would have voted for the motion.

Mr. LUCHKOVICH: I was paired with the hon. member for Lanark (Mr. Thompson). Had I voted I would have voted for the amendment to the amendment, against the amendment and against the main motion.

Mr. BARRETTE (Translation): I was paired with the hon. member for St. Johns-Iberville (Mr. Rhéaume). Had I voted, I would have voted for the motion.

Mr. DORION (Translation): I was paired with the hon. member for Lotbinière (Mr. Verville). Had I voted, I would have voted for the motion.

Mr. FERLAND (Translation): I was paired with the hon. Solicitor General (Mr. Dupré). Had I voted, I would have voted against the motion.

Mr. DESLAURIERS (Translation): I was paired with the hon. member for Shefford (Mr. Tétreault). Had I voted, I would have voted against the motion.

Mr. FAFARD (Translation): I was paired with the hon. member for Lévis (Mr. Fortin). Had I voted, I would have voted against the motion.

WAYS AND MEANS

The house in committee of ways and means, Mr. Morand in the chair.

Progress reported.

At six o'clock the house adjourned without question put, pursuant to standing order.

Thursday, April 4, 1935

The house met at three o'clock.

ROYAL ASSENT

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

Ottawa, April 4, 1935.

Sir,—

I have the honour to inform you that the Right Hon. Sir Lyman P. Duff, Chief Justice of Canada, acting as deputy of His Excellency the Governor General, will proceed to the Senate chamber to-day at 5 p.m. for the purpose of giving the royal assent to certain bills.

F. L. C. Pereira.
Assistant Secretary.

RAILWAYS AND SHIPPING

Mr. G. R. GEARY (South Toronto) presented the first report of the select standing committee on railways and shipping owned, operated and controlled by the government, and moved that the report be concurred in.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

SALE OF FARM PRODUCTS IN CHINA AND JAPAN

Mr. MOTHERWELL:

1. Has the Minister of External Affairs or any other minister of the government received any further reports, correspondence, cables or other documents from the Hon. Herbert Marler, Canadian minister in Japan, since January 1, 1934, with respect to the sale of wheat and other Canadian farm products in China and Japan?

2. If so, will such reports, documents, etc., be tabled for the information of the house?

Sir GEORGE PERLEY:

1. Yes.

2. Aside from a report by the assistant trade commissioner in Tokyo transmitted by the minister, and which was published in the Commercial Intelligence Journal of September 1, 1934, the dispatches in which reference is made to this subject are of a confidential character which it would not be in accordance with established practice to make public.

[Mr. Fafard.]

ALBERT ROSENBAUM

Mr. DORION:

1. Has the government knowledge that one Rosenbaum carrying a Canadian passport, has just been arrested in Paris on the charge of espionage?

2. If so, on what date was such passport issued?

Sir GEORGE PERLEY:

1. No. Albert Rosenbaum was arrested on the 28th February last on the charge of not having complied with an expulsion order. No charge of espionage has been made.

2. Date of issue of passport to A. Rosenbaum was February 22, 1934.

DUTY ON PERFUMES AND COSMETICS

Mr. RINFRET:

1. In what year was a special duty of 10 per cent imposed on perfumes and other cosmetics?

2. What revenue has accrued from this source, giving each year separately?

3. What revenue was accrued from this source during the first months of 1935?

4. Are these products subject to the sales tax of 6 per cent besides the above-mentioned duty?

Mr. MATTHEWS:

1. March 22, 1933.

2. 1932-33.. .. .. $ 1,859 86
   1933-34.. .. .. 759,358 85
   1934-35.. .. .. 800,708 01
   (11 months)

3. January and February—$146,673.03.

4. Yes.

QUESTIONS PASSED AS ORDERS FOR RETURNS

MR. WALTER WELLER

Mr. GERSHAW:

1. Was Mr. Walter Weller, of Calgary, employed by the parks branch or the Department of Indian Affairs, or by the Department of Public Works or the Department of Trade and Commerce since July, 1930?

2. If so, for how long in each department and at what salary?

Mr. CAHAN: Return tabled herewith.

DURUM WHEAT

Mr. COOTE:

With reference to Durum wheat in semi-public terminal elevators at Port Arthur and Fort William,—

(a) What was the amount of each grade on hand at the beginning of crop year 1933-34?

(b) What amount of each grade was received during said crop year?

(c) What amount of each grade was shipped out during said crop year?

(d) What was the amount of each grade on hand at the end of said crop year?

Mr. HANSON (York-Sunbury): Return tabled herewith.

THE KING'S JUBILEE CANCER FUND

ANNOUNCEMENT OF HIS MAJESTY'S WISH THAT COMPREHENSIVE GIFT BE DEVOTED TO FUND—PERSONAL GIFTS NOT DESIRED

On the orders of the day:

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): I have a telegram from His Excellency the Governor General, informing me that the king has authorized the announcement that His Majesty wishes that the jubilee cancer fund be regarded as a comprehensive jubilee gift from all his Canadian subjects including dominion and provincial governments and official bodies, and that it is not expected or desired that any other jubilee gift, whether collective or individual, be sent to His Majesty.

I am making this public in this way at this time because there appears to be some idea that personal gifts will be sent to His Majesty by governments and official bodies at the time of the silver jubilee, as has been done on other occasions of a similar character. As the king has graciously decided that, instead of any such personal gifts, support should be given to the King George V silver jubilee cancer fund for Canada, which His Majesty would regard as a comprehensive jubilee gift from all his Canadian subjects, I may be permitted to express the hope that the people of Canada will support this jubilee cancer fund, not only on account of our great loyalty to and admiration for His Majesty, but also because the money so raised will be used in our fight against cancer, which is the worst disease from which we are now suffering.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): I am very pleased to have this opportunity to support the right hon. the acting leader of the government (Sir George Perley) in the hope he has expressed that contributions to the silver jubilee cancer fund will be both widespread and generous. It is, I think, appropriate that the matter should have been brought up in this house, because the gift will constitute a national thanksgiving offering, and there has apparently been some misunderstanding as to the feature of it which has just been mentioned by my right hon. friend, namely, that individual gifts from the governments of the different provinces or from the municipalities, and possibly from the federal government as well might be expected, whereas, as I understand my right hon. friend now, the intention is that all parties in the country, both public bodies and individuals, should join together to make this one collective gift—a gift that will be worthy of the historic occasion which it is intended to commemorate, worthy of the admiration and affection which the people of Canada have for His Majesty, and worthy of the great cause to which the proceeds of the gift will be applied. I do hope that the national aspect of the matter will be appreciated throughout Canada and that contributions will be made generously from all sides. In that connection I might point out that the impression does exist, since there has been mention of small amounts of one dollar as contributions to be sent to Her Excellency at Government House, that the intention is to have the gift made up solely of such small contributions. I imagine that the purpose is rather that contributions in any amount will be most welcome. Certainly where they can be made generously and on a large scale they will be most acceptable.

Mr. ROBERT GARDINER (Acadia): Permit me, Mr. Speaker, to say a few words in support of this very laudable object, namely, the cancer fund. I am sure that every member of this house trusts that the support will be generous. But may I go a little further than either the acting Prime Minister or the leader of the opposition has gone. Cancer is recognized to-day as the most insidious disease which the human race has to deal with, and while we all appreciate the fact that this fund is being started for the purpose of investigating not only the cause but the cure of cancer, may I suggest to the house that the time has come when we should have a government policy in regard to this matter. We have been allowing this very important question to remain solely in the hands of private individuals, but the disease is so insidious that, while some progress has been made, what has been done through private initiative is absolutely insignificant in relation to the devastation which the disease causes in human life. I submit that this is a good time to impress on the government of Canada the fact that responsibility rests on the governments in this country to prosecute this matter not only with financial support but by every other means within their power. I trust that this cancer fund will be the beginning of such a new policy.

CLASSIFICATION OF UNEMPLOYED

On the orders of the day:

Mr. JEAN FRANCOIS POULIOT (Témiscouata): Yesterday every member received a translated copy of the correspondence between Mr. Léon Trépanier, joint secretary, congress

of the mayors of Canada and myself, and between Mr. G. A. Wenige, mayor of London, and myself with regard to the classification of unemployed. In his letter Mr. Trépanier says:

(Translation) Professor Marsh of McGill is at the disposal of the government to complete that tabulation by adding to it the information which you asked for.

May I ask the government whether the questionnaire also mentioned in Mr. Trépanier's letter was submitted to them before being sent to the municipality and whether Professor Marsh has been employed by the government to do any work in that regard. If so, may I suggest to the government that they should rather have this classification work done by the bureau of statistics.

Hon. W. A. GORDON (Minister of Labour): Professor Marsh has not been employed by the government to carry on the work suggested. As long ago as 1931 the provinces were asked to try to compile as well as they could figures with respect to unemployment. Now, anyone who has paid attention to the experiences of other countries with respect to the assembling of figures of this character knows that it is probably one of the most difficult tasks that can be undertaken. It has been stated repeatedly at the League of Nations and repeatedly in the House of Commons that from the very nature of the thing no figures in any country are even fairly accurate. The mobility of the individual is one of the great difficulties. A census taken to-day with respect to unemployed and their classification, while fairly accurate as of to-day, would be wholly undependable thirty days from now. The government in 1931 did ask the provinces to endeavour to determine the number of unemployed who were employable and I must confess—I do not blame the provinces—that the report we received was not very enlightening. In January this year I had the director of unemployment relief communicate with the various provinces to see whether they could not give us a classification which would reflect a more accurate picture. Since that time useful information has been received from all the provinces except Quebec, though Quebec has advised me that the information asked for might be supplied by the tenth of this month. I am not calling attention to the fact that Quebec has delayed, because they may have very good reasons there; it is a very difficult thing to compile these figures. The information compiled by Professor Marsh for the municipal conference which was held in Montreal recently, covered in the main municipal figures with respect to revenue and matters of that character. In Professor Marsh's résumé reference was made to relief expenditures, and if the rest of the information contained therein was no more accurate than that with respect to relief expenditures by the dominion, I am afraid it is just fifty per cent out. However I caused some inquiry to be made and Professor Marsh explains that his figures were taken from a newspaper report which was obviously inaccurate. It would be highly desirable if there were some method we could employ that would keep us informed from day to day of the number of unemployed people capable of being employed and their classification. When we get the complete information from the provinces, I of course intend to go into it with care in order to see whether, on the basis of the information given, some further steps should be taken in order to classify the unemployed, because it is obvious, if a method can be adopted to give us a complete picture as has been suggested by the hon. member for Témiscouata (Mr. Pouliot), that would be most helpful.

BRITISH NORTH AMERICA ACT

QUESTION AS TO INTERPRETATION OF SECTION 50 BEARING UPON DURATION OF PRESENT PARLIAMENT

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): A day or two ago I asked a question of the ministry as to the construction to be placed upon the section in the British North America Act relating to the duration of the present House of Commons and the possible bearing of the government's interpretation upon the date of a general election. The Minister of Justice was going to reply, perhaps to-day. I would ask him if he is in a position to do so now.

Hon. HUGH GUTHRIE (Minister of Justice): The replies to the questions submitted by my right hon. friend a day or two ago in regard to the duration of the present parliament are as follows:

1. Which was the day of the return of the writs for choosing the present House of Commons?

The government is not prepared to answer this question, as it involves a matter of opinion on a point of law, namely: What is the true construction of section 50 of the British North America Act? However, the invariable practice since confederation has been to adopt the date named in the proclamation of the election for the return of the

writs, which for the present House of Commons was the 18th day of August, 1930.

2. When does the present House of Commons cease to continue?

Answered by number one.

3. Is it necessary that the writs for a general election be issued during the duration of the House of Commons?

The government is not aware of any provision requiring the writs for a general election to be issued during the duration of the House of Commons, but the invariable practice since confederation has been to issue the writs during such period.

4. Is there a limit to the period of time which may elapse between the date of the issue of the writs for a general election and the day of polling?

No—subject to the provision of section 20 of the British North America Act.

Mr. MACKENZIE KING: May I ask my hon. friend a further question? Is it the intention of the present government to follow the invariable practice in the particulars referred to?

Mr. GUTHRIE: If I were to express my own opinion on the matter, I would say yes; but I am not in a position on such a question to express the opinion of the government.

Mr. MACKENZIE KING: Could the opinion of the government not be ascertained?

Mr. GUTHRIE: In due time, I fancy.

Mr. MACKENZIE KING: Could it be ascertained in the near future?

Mr. MANION: We will give the right hon. gentleman plenty of notice.

ANYOX SMELTER

On the orders of the day:

Mr. OLOF HANSON (Skeena): I would like to ask the Minister of Labour or the government a question: Have any representations been made to the federal government by the provincial authorities of British Columbia or any other source in regard to the closing of the Anyox smelter, throwing approximately a thousand men out of employment? If such representations have been made, what action does the government propose to take in this matter?

Hon. W. A. GORDON (Minister of Labour): About a year ago the copper refinery or smelter at Anyox was closed down by reason of a strike that took place at the plant. At that time I took steps to remove from Canada and to return to their native country a number of agitators who fomented that strike. I was well aware that the Anyox operation was in a most difficult position by reason not only of the nature of the ore on which they were working and the cost of winning and refining it, but also the market situation for copper. At that time I was criticized by a number of my hon. friends opposite for taking the action I did, although it did result in a cessation of the strike. But I am informed that as a result of the closing down on that occasion, in addition to the other reasons which I have just indicated, the Anyox smelter has now been or is about to be permanently closed down. Representations have been made to me by a number of people—I do not think there were any from the government of British Columbia, although I shall have to look into that question and make sure—with respect to what help might be given to the operation at Anyox. A number of suggestions have been made, but the real situation is that with the present world price and market for copper, that operation in my judgment at least cannot be successfully carried on.

With respect to those who will unfortunately be thrown out of work if the plant closes down, that is essentially a problem for British Columbia. The assets of mines are of a wasting character; they do not last forever. You cannot take the same ounce of gold or pound of copper out of the ground twice, and since the beginning of time mines have come into being and gone out of the picture by reason of the exhaustion of their ore bodies. I have lived in mining camps when they started, when they reached the top of their output and when they faded out of the picture. This is purely a local problem and must be handled by the individual himself, the locality and the province if it is beyond the capacity of the individual to take care of it.

CONFERENCE IN LONDON

INFORMAL DISCUSSION OF IMPORTANT QUESTIONS BY PRIME MINISTERS WITH MEMBERS OF BRITISH GOVERNMENT

On the orders of the day:

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): The day before yesterday the right hon. leader of the opposition (Mr. Mackenzie King) asked me whether it was suggested that anything in the nature of an imperial conference would be held at London while the jubilee celebrations were taking place. I told the right hon. gentleman at that time that I thought only informal con-

versations would take place then. Now I find that Mr. Stanley Baldwin announced in the British parliament on July 30 of last year that the United Kingdom government have invited the prime ministers of the dominions to take part in the jubilee ceremonies to be held in London in May, and that it was hoped to take advantage of their presence in London to discuss personally and informally any questions of particular importance outstanding. I may say that on inquiry I understand that is the position.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Is my right hon. friend aware of any questions of particular importance outstanding that are likely to be discussed? Has he any knowledge of any such question?

Sir GEORGE PERLEY: No, I have not heard anything of any such questions.

Mr. MACKENZIE KING: I understand that if the Prime Minister is well enough to do so, it is the intention that he will be present in London at the time of the jubilee ceremonies. May I ask if it is the intention of the government to have him accompanied by any other members of the government or any official personages?

Sir GEORGE PERLEY: No one except the Prime Minister has been invited. Whether he will be attended by others has not yet been considered.

EASTER ADJOURNMENT

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): My right hon. friend the acting leader of the government (Sir George Perley) promised me that he would have something to say about the probable date and length of the adjournment of parliament at the Easter season. I do not wish to press him unduly in the matter, but every day we are getting nearer to the Easter recess, and if he could give some information very soon it would be much appreciated.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): As to the date of the adjournment of the house, that will depend on how the business progresses, and we shall endeavour to meet the convenience of members in that respect. It is intended to ask the house to agree to an adjournment of some time, but I am unable to-day to fix any date. I will endeavour to be a little more definite to-morrow.

BUTTER IMPORTATIONS

On the orders of the day:

Mr. VINCENT DUPUIS (Laprairie-Napierville): On March 21 I asked the Minister of Agriculture (Mr. Weir) to be kind enough to give me an explanation regarding importations of butter from Great Britain. He then told me that my question would be taken as notice of a question. The hon. minister was kind enough to give me his answer by letter. As there are many people inquiring about the answer, and the newspapers are making guesses about it, I think it proper to ask the minister to allow me to read this letter, so that it shall be on the record.

Mr. SPEAKER: There is no rule that permits of the hon. member doing as he proposes.

Mr. DUPUIS: Then I ask the minister to read the letter, so that it shall be on record because it is very interesting.

Hon. ROBERT WEIR (Minister of Agriculture): I was not aware at the time the hon. member asked the question that he wished the reply put on Hansard. I gave a partial answer and said that if there was any further information required I would be glad to supply it. I have no objection to putting the information on Hansard at some future time, perhaps to-morrow.

WATERLOO, QUE., POST OFFICE

On the orders of the day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Yesterday I asked the government whether it was proposed to carry out the recommendations of the royal commission with regard to prosecuting those who were guilty of fraud in connection with the building of the post office at Waterloo, Quebec. The Minister of Public Works (Mr. Stewart) said the matter had been handed over to the Minister of Justice (Mr. Guthrie). I should like to ask the Minister of Justice whether his department proposes to seek to recover the moneys unlawfully obtained.

Hon. HUGH GUTHRIE (Minister of Justice): The report is now being examined by the law officers of the Department of Justice, but the evidence has not been received yet. It is necessary to have the evidence in order to form any opinion.

UNIVERSITY OF MONTREAL

On the orders of the day:

Mr. VINCENT DUPUIS (Laprairie-Napierville) (Translation): Mr. Speaker, I do not appear to have much luck in obtaining answers to my questions. On the 22nd of March last I asked the honourable ministers from the province of Quebec if they were in favour of the Barrette plan for a contribution of three million dollars towards the completion of the University of Montreal, jointly with the government of the province of Quebec and the city of Montreal. The right honourable the acting prime minister (Sir George Perley) asked me to have my question inscribed on the order paper. As the hon. Minister of Marine knows full well that a private member cannot present any measure involving the expenditure of public funds—such measures being the exclusive prerogative of ministers of the Crown—would he kindly inform us whether he is in favour of submitting such a plan to the house, as the city of Montreal and the province of Quebec are interested to know.

Hon. ALFRED DURANLEAU (Minister of Marine) (Translation): Mr. Speaker, the leader of the house did suggest to my hon. friend that he have his question put on the order paper; we have not seen it there as yet. We were waiting for it to consider my hon. friend's request and to give him an answer. The answer must come from the government itself and not from the Minister of Marine alone.

Mr. DUPUIS (Translation): What about cabinet solidarity? Mr. Speaker, the hon. Minister of Marine has no doubt heard of the matter from the hon. member for Berthier-Maskinongé (Mr. Barrette), as I am informed that the hon. member mentioned it to all the ministers from the province of Quebec, to the right hon. the Prime Minister and to other members of the government. Since that time —that is more than three months ago—have the hon. Minister of Marine and the other members of the government not had time to consider the matter? I should like to have an immediate answer.

Mr. DURANLEAU (Translation): I do not intend to engage in debate with my hon. friend on this question, which is an extremely delicate one. My hon. friend may laugh, but—

Mr. DUPUIS (Translation): No.

Mr. DURANLEAU (Translation): —but he is not doing it in the interest of the institution.

Mr. DUPUIS (Translation): No, I am not laughing about that.

Mr. DURANLEAU (Translation): The citizens of the province of Quebec and the authorities of the university of Montreal know perfectly well how the ministers representing that province feel towards the institution in question, but I have some doubt as to the efficacy of the means used by hon. members opposite—

Mr. DUPUIS (Translation): The plan originated on the government side.

Mr. DURANLEAU (Translation): —to help the university.

Mr. DUPUIS (Translation): The plan originated on the government side.

Mr. DURANLEAU (Translation): I will say to my hon. friend that when he will have put his question in the proper form the government will be in a position to answer it.

Mr. BARRETT (Translation): Hear, hear.

Mr. DUPUIS (Translation): If the hon. member for Berthier-Maskinongé is satisfied with that, he is easily pleased.

SUPPLY

DEPARTMENT OF JUSTICE

The house in committee of supply, Mr. Morand in the chair.

Supreme Court of Canada—

Contingencies and disbursements, including books, magazines, etc., for judges, not exceeding, $350, $4,100.

Law books and books of reference for library, and binding of same, $7,000.

Printing, binding and distributing supreme court reports, $8,000.

Mr. POULIOT: On this item may I ask the Minister of Justice if the government contemplate the construction of a new building for the Supreme Court of Canada. This matter was brought up in the house previously and the answer of the minister was very satisfactory, but every member would be delighted to have a more complete answer. I mention this again because the supreme court library is most valuable, containing books which could not be replaced, and I wonder if that library could not be made fireproof in order to protect that important collection of books.

Mr. GUTHRIE: The hon. member's suggestion, I think, is well worthy of consideration, but this is a matter upon which I could not commit the government. It would have to be discussed in the first instance with the Department of Public Works, but I agree that it is high time something should be done in that regard.

Mr. WOODSWORTH: Mr. Chairman, it is absolutely impossible for us in this end of the chamber to hear anything that is going on.

Mr. GUTHRIE: I usually speak quite loudly, but there is a good deal of noise in the chamber. I agree that the time has come when some consideration should be given the question of a new building for the Supreme Court of Canada and the Exchequer Court of Canada, and I think some consideration should be given the question of library accommodation both in connection with the House of Commons and in connection with the libraries of those courts, which represent a great deal of money and which are now in buildings that are not looked upon as fireproof. However, this is a matter which concerns very largely the Department of Finance and very intimately the Department of Public Works. I can only express my own views on the subject and my sympathy with the views expressed by my hon. friend who asked the question.

Mr. LUCHKOVICH: I really wanted to speak on item No. 13, but since the subject I wish to discuss to-day pertains to the administration of justice I think I am justified in saying what I have to say even under this item. On March 11, 1935, a news item, headlined in large capital letters, appeared in the Montreal Star which might have destroyed forever more the high regard I have for the judiciary of Canada were it not for the fact that the unfortunate and indiscreet conduct of only one of its members cannot be regarded as the attitude of the whole body. One black sheep in the judicial family does not necessarily mean that they are all of the same colour. The item in question reads as follows:

> Judge Delivers Scathing Rebuke
> Ukrainians who attacked woman denounced in court
>
> A scathing indictment of Slav morals and standards of life, as compared with those of Canada, was read from the bench of the Court of King's Bench, this morning, by Mr. Justice Wilson in passing sentence of two years imprisonment with hard labour, the maximum under section 280 of the criminal code, on Stanley Kardach and Steve Kavelec, convicted of assault on a female.
>
> After summarizing the case against the two Ukrainians and telling them that "the court has no hesitation in saying that in this case a verdict of rape would have been justified and applicable under the evidence," His Lordship said:

Mr. GUTHRIE: At this point I am going to raise the question of order. It is against the rules of order in this house to comment in any way upon judges in respect of cases tried by them. If complaints are to be made against judges they must be definite, and our only relief in regard to such complaints is to take up the matter in the Senate and House of Commons by way of an address. Otherwise our rules do not permit us to comment upon the decisions of judges in any cases that come before them.

Mr. LUCHKOVICH: This does not happen to be a decision of the judge in question; it is a reported statement made on passing sentence.

Mr. GUTHRIE: That is part of the judgment.

Mr. LAPOINTE: I should like to know what this has to do with the library of the supreme court.

The CHAIRMAN: I will have to rule this discussion out of order.

Mr. LUCHKOVICH: On a point of order, surely when the judge of one of our courts indicts a whole race because of the action of two individuals there should be some recourse.

The CHAIRMAN: The hon. member has recourse if he wishes to bring it up by means of a substantive motion, but he cannot bring it up in supply. I would refer him to paragraph 293 (j) of Beauchesne:

> (j) cast reflections upon the conduct of judges of superior courts unless such conduct is based upon a substantive motion.

I am sorry, but I must rule this discussion out of order.

Mr. GARLAND (Bow River): I desire to direct a question to the Minister of Justice. In a Canadian Press dispatch dated November 13, appearing in the Montreal Star, I read the following:

> With the assurance of the bench that sentence would not be such as to ruin their trade should they be convicted, representatives of five Montreal coal companies facing charges of forming a combine in restraint of trade prepared to-day to present their side of the case. Pleas for counsel of the crown were concluded yesterday and the case for the defence begun.
>
> Mr. Justice Wilfrid Laliberte—

According to this dispatch—

> —who was on the bench when five other companies were convicted on similar charges and sentenced to fines totalling $30,000 early this year, yesterday said that the sentences would not hurt the companies' trade should they be found guilty. He had given the same assurance to the five other companies in the first trial.

Mr. GUTHRIE: I will have to raise the same point of order.

Mr. GARLAND (Bow River): The question I want to ask the minister is whether it is proper for a judge to anticipate his decision in a court and to make the statement that the defendants in the case will not be injured by his decision.

Mr. GUTHRIE: I have no comment whatever to make in regard to the conduct of judges. It must be remembered also that the federal government has nothing to do with the administration of justice in the provincial courts.

Item agreed to.

Penitentiaries.—Amount required for cost of administration, construction, purchase of land, supplies and equipment, maintenance and discharge of inmates at Kingston, St. Vincent de Paul, Dorchester, Manitoba, British Columbia, Piers Island, Saskatchewan and Collin's Bay penitentiaries, $2,830,947.75.

Miss MACPHAIL: I should like to ask the Minister of Justice if he cares to make a statement with regard to the recent fire in Kingston.

Mr. GUTHRIE: I have a more detailed report than the one I gave the house recently. It does not vary very much from my original statement, and it is pretty lengthy. However, if I may be permitted to summarize it I would say in the first place that the loss in damage is not as great as was originally expected. The loss in the shoe shop including material and machinery is estimated at $3,484.33. The structural damage to the building by fire is comparatively slight, chiefly from smoke and water and broken glass, and will amount to $400. The damage to machinery in the tailor shop is estimated at $1,443 so that the total damage caused by the destruction will be in the neighbourhood of $5,000.

The occurrence arose almost as I described on a former occasion. Since my former statement information has come to hand through the evidence of prisoners. The only complaint or excuse which has so far been made by any prisoner is that the prisoners are not allowed to play baseball. There is a period of exercise allowed in the penitentiary, various specific exercises being provided. It may be remembered that last spring without lawful authority and contrary to the rules and regulations baseball was permitted by the warden for a limited period, until he was instructed to stop it. After it was stopped there was another outbreak.

Mr. JACOBS: Why not allow them to play golf?

Mr. GUTHRIE: Now the demand is again for baseball, and that is the only complaint which so far has been made by any prisoner. However, I am satisfied from information which has come to me that the matter has been under consideration for some time by a certain element in the penitentiary which had definitely resolved, for some purposes of their own, to stage a revolt. One of the documents circulated among the prisoners in the penitentiary and handed by one of the prisoners to the warden is a document of a little more than a page in length prepared in block letter printing and received by the warden on March 21. For the information of hon. members I shall read parts of the document to the house, omitting the names of prisoners.

The movement that is now on foot is similar to the one that was talked of a few weeks ago. It is to take place in the Protestant chapel, if they cannot get out into the dome. They will endeavour to hold the chapel and cause militia to be brought here. The view in doing this is to get publicity and cause trouble before the elections. There is only to be one or two men in each shop that are to be acquainted with all the details, and they are to talk it up and ascertain how many could be counted on, but not to tell when or where it is going to happen. The plans are that its to take place this Sunday or the following Sunday at the latest. The feeling among the men is against it, but the agitators insist on a "blow-off" before the elections.

Then follows a list of names of prisoners to be depended upon to assist in the outbreak.

Mr. LAPOINTE: Who has written this?

Mr. GUTHRIE: It is assumed it is written by a prisoner and was passed around among the prisoners prior to March 21.

Mr. WOODSWORTH: Was there any investigation made regarding this document?

Mr. GUTHRIE: I think the actual revolt occurred on March 21, did it not?

Mr. WOODSWORTH: But I am speaking with regard to this particular document.

Mr. GUTHRIE: There was an investigation, as soon as the document was received. Do not interrupt me; let me finish and then ask the questions. As soon as the document was received an investigation was immediately started in order that the necessary—

Mr. WOODSWORTH: Mr. Chairman, I hope the minister will not accuse me of interrupting, but I must point out he is reading a document, and I should like to know how that document is authenticated.

Mr. GUTHRIE: It is authenticated by a prisoner who handed it to the warden, and I have a number of—

Mr. GARLAND (Bow River): On a point of order I submit there is grave doubt as to whether or not the minister is privileged to read to the house any letter unless he gives the signature to the letter, or accepts personal responsibility for it. I can recall many occasions when that point has been raised by hon. members on the government side of the house. It has been a form of coercion exercised by the government against other people, compelling them under the rules to give signatures. In this instance the signature either should be given, the letter tabled or in some other way the document should be authenticated.

Mr. GUTHRIE: The letter is not addressed to anybody and is not signed by anybody. It is a part of the evidence—

Mr. GARLAND (Bow River): What standing has it?

Mr. GUTHRIE: It is part of the evidence which developed at the investigation which was held. I was asked for a report on the investigation.

Mr. GARLAND (Bow River): But that is not evidence.

Mr. GUTHRIE: I am not submitting it as evidence; I am submitting it as a document which warned officials that something was under way.

Mr. LAPOINTE: It is a paper.

Mr. GUTHRIE: I shall not read the part which gives the names. The document continues:

> In giving names I have not spared or protected anyone. This is a despicable thing for me to do, but the consequences are too grave for me to stand by. There is talk of trouble of some kind to happen on Friday. Of this I have heard very little.

I read this only to show that evidently there had been some preparation for the outbreak, and that the matter did reach the knowledge of prison officials on March 21. No definite conclusion has yet been arrived at by the warden, who is conducting the investigation, as to the names of the prisoners who were the ringleaders in the outbreak. Certainly it is true that a large number of the prisoners in that particular shop were not implicated, but rather through fear joined in, whatever took place in those shops. As I have said the fire was not of a very serious nature, although when the men were barricaded in the building—they had barricaded it themselves—and the smoke was pouring out, the officers in charge did not know how far the fire might go, and for that reason asked assistance of a detachment of the city fire brigade, which assistance was given. The fire was under control about 6.30 at night.

Miss MACPHAIL: I think a fire which caused $5,000 damage is after all not a slight affair.

Mr. GUTHRIE: The fire did not cause that; the prisoners broke machinery to the extent of $4,000 or $4,500.

Miss MACPHAIL: According to the minister's figures the whole cost ran about $5,000. On the night of the fire I recall that the local newspapers carried a heading stating that 50 men had barricaded themselves in the burning building; is that correct?

Mr. GUTHRIE: I cannot give the exact number. I believe 71 men were in the building. They had barricaded the doors,—closed them and locked them from the inside. The doors had to be opened by means of an acetylene torch, and I suppose the hinges were melted off so as to gain access to the inside.

Miss MACPHAIL: Were there any guards in the burning building with the prisoners?

Mr. GUTHRIE: Three guards were overpowered and tied; I think their hands and feet were tied, although I am not certain on that point. Originally they were taken down to the basement, but subsequently were marched up into one of the tailor or shoe shops above, where the men were gathered. As soon as the outside guards forced their way in they were all taken out of the building.

Miss MACPHAIL: Does the minister contemplate having a thorough investigation made into the penitentiaries, gaols and reformatories of Canada; an investigation into crime and its punishment?

Mr. GUTHRIE: Before answering that question perhaps I might deal with another matter. There is another investigation under contemplation at the present time. On March 19 a charge was made in this house that one of the inspectors of the penitentiary had made some very derogatory statements about a prisoner by the name of Hall, since liberated. I made a pretty full inquiry in connection with that charge and upon being given the word of honour by Inspector Dawson, I informed the house that there was no

foundation for the charge, that the statements had never been made. The next day the hon. member for Southeast Grey (Miss Macphail) produced a document in the house which was purported to be an affidavit.

Miss MACPHAIL: Which was an affidavit.

Mr. GUTHRIE: That is my hon. friend's view.

Mr. JACOBS: When is an affidavit not an affidavit?

Miss MACPHAIL: What is an affidavit? Perhaps we had better have a definition.

Mr. GUTHRIE: An affidavit is a document used in a judicial proceeding or of a form prescribed by some statute which authorizes it. A statutory declaration can be taken under the provisions of the Canada Evidence Act.

Miss MACPHAIL: If a document is signed before one of the law officers of the crown and sworn to, is that not an affidavit?

Mr. GUTHRIE: No, it is not an affidavit. An affidavit must be made in a judicial proceeding or in compliance with the requirements of some statute.

Mr. GARDINER: What is it then?

Mr. GUTHRIE: A nullity; it has no effect any more than any signed statement.

I should like to refer to the affidavit which was read here. I am aware the hon. member for Southeast Grey perhaps is actuated by some animosity against me. I hope she is not as I feel none against her.

Miss MACPHAIL: I would not trouble myself to feel any animosity. When I came into the house last year about as well as the hon. member for Muskoka-Ontario (Mr. McGibbon)—

Some hon. MEMBERS: Take it back.

Miss MACPHAIL: No, I will not take it back. When I came into this house last year about as well as the hon. member for Muskoka-Ontario was yesterday, the Minister of Justice came over to my desk and shook hands with me in the guise of friendship. I assumed that his feelings were genuine. He suggested the holding over of a resolution which I had been discussing through a special arrangement. I told him that I was not used to asking for special privileges in the house but I assumed that his offer was made in all kindness. The matter was held over and because of that I did something which afterwards turned out to be indefensible. The Minister of Justice deliberately made it possible for me to do this. This was a very miserable case, in fact so miserable that only one newspaper reported it. The minister thought he was doing something which would injure me, and this matter was spread on Hansard in the greatest detail. I do not know whether the minister realizes what he did last year. I had just recovered from one shock two months previously and it took me weeks and months to recover from the other shock. People told me that this would not affect me in my constituency but I replied that oddly enough I had not thought of that. That was not what concerned me, it was the fact that a minister in the guise of apparent friendship led me on to making a statement which he knew I would not have made had I known the facts. I followed up this matter and found that all the files in connection therewith had been in the possession of the minister from January 25. I did not arrive in the house until about February 18 or 19. I feel no animosity to the Minister of Justice but he is the only person in public life in Canada for whom I have not the respect I would like to have.

Mr. GUTHRIE: Apparently I was not very far wrong in my original statement. I am afraid the hon. member for Southeast Grey has not a very warm and friendly feeling toward me.

Miss MACPHAIL: You are quite right.

Mr. GUTHRIE: Notwithstanding that, I bear her no ill feeling whatever. I have forgotten the incident of last year to which she referred. She brought up the other matter in connection with another prisoner during the course of a rather vindictive speech against the penitentiary management.

Miss MACPHAIL: That is true, I admit that.

Mr. GUTHRIE: When I referred to this matter she replied that this prisoner had had a good social outlook, I think they were the words used. It is true that I had the record of this man before me, as I have the records of all prisoners. In a very polite and inoffensive way I gave my hon. friend the information. I believe she has been misled by certain people who have been furnishing her with information. I said that in connection with the case last year and I am sorry to have to say it again in connection with the case she brought up this year. My hon. friend is of a very sympathetic disposition and I fear that she has been imposed upon. We are all liable to imposition from time to time, and I believe that is what has happened in connection with the charges she

makes against Inspector Dawson. Her informant was a prisoner until some time in February when he was released. She based a rather serious charge against a high officer of the penitentiaries' staff on information supplied by this man Hall.

Miss MACPHAIL: I am very sorry to interrupt but I think we should have this thing straight as we go along. I visited the penitentiary on February 16, at which time I knew nothing whatever of this case. I was being shown around by Warden Allen. I asked to see in his presence the convict who had caused me so much suffering last year, I believe his number was 3242. In the presence of the warden this convict asked me if I knew that Inspector Dawson had attempted to induce him, first by cajolery and then by threats, to sign a certain statement. This statement was to the effect that he had given me information in connection with the Lloyd case at Stony Mountain penitentiary, away back in 1927 or 1928. This convict stated that he did not sign this statement because he had not given me any information in connection with the Lloyd case. The fact is that that information was given to me by Mrs. Lloyd, the widow or the mother of the man who died because of defective scaffolding used in the penitentiary. I could not believe that an inspector of the penitentiaries in Ottawa would go to Kingston and attempt, first by cajolery and then by threats, to have a prisoner make a statement saying that he had supplied me with information in connection with any case I had brought up. I said to him that it surely could not be true and he said he would give me the name of the guard, who was there at the time. That guard has since then been promoted. At the time this man said to me, "If I live to come out of the penitentiary I want to do what I can to stop a practice that should not be carried on." I was as astonished at the statement as any member of this house would have been. The man was obviously not only worried but almost obsessed and I said, "Forget it. You are in here now and there is nothing you can do about it; if there is anything to be done it must be done from outside." And as Warden Allen and I walked up to the administration building I remarked to him, "I cannot think that even a penitentiary branch would do a thing of that sort." I said what I felt at the time; I said they had their nerve. I have forgotten the details of the conversation because, not being in the position of the penitentiary branch, I did not have a stenographer to take it all down in detail, but Inspector Dawson was able to tell convict 3242 how many times he had called at my office in the House of Commons and on what dates. Well, I can save the department all that trouble, because I should be glad to give them a detailed account of where I go and who calls at my office. I ask the men at the main door to keep as many people as possible from coming to my office, but we can get all the details without putting Inspector Dawson to so much trouble. In that conversation convict 3242 said that Hall would be out in a day or two and would see me in regard to the matter. I asked who Hall was and he told me that he was a man in the penitentiary, and he too was interviewed by Inspector Dawson regarding this matter. If so, I said, I should be glad to see him. The day I addressed the Canadian Club in Toronto, a guest—I did not know him—handed me a letter. When I opened the letter I saw it was from Hall and he said he would call at my office in the afternoon. I told the man at the desk—I was going to have my dinner—that a man named Hall would call to see me and that I was going to be in the dining room, and I asked that he be sent down. When he came down I asked him whether it was true that Inspector Dawson had interviewed him in regard to the matter and he said that he was willing to make an affidavit to the effect that Inspector Dawson had questioned him, not exactly in the same way but in a manner similar to his questioning of the other convict No. 3242, except that Inspector Dawson did not ask him whether he had furnished me with information but, instead, expressed to him his opinion of me and of the information which he had received. He may believe it for all I know, but it is not true.

Do hon. members wonder that in those circumstances I did want to know whether or not Inspector Dawson had gone to Kingston penitentiary and talked with a convict there—and a convict with such a record—and had tried to get him to sign a statement indicating that he had furnished me with information regarding the Lloyd case, which had occurred when the hon. member for Quebec East (Mr. Lapointe) was Minister of Justice. That case had to do with a man who was killed on some defective scaffolding in Stony Mountain penitentiary. I had a good many letters from the Lloyd connection with regard to that case, and I never heard from anyone but the Lloyds so far as that matter was concerned. I do not want the Minister of

Justice to tie me up a second time with somebody with a long record—I do not know whether Hall was in gaol ten times or sixteen times; I do not know whether it is a case of sex perversion or embezzlement or both. I simply know that a man—a human being at any rate—came and offered to take an affidavit as to the truth of the statement he had made. So that you have two convicts and a guard whose name I have, and who has since that time been promoted, who all seem to know of these circumstances.

It does not matter that the incident reflected on me but it does matter whether any member of this house can be put in the position in which I was placed by this sort of thing.

Mr. GUTHRIE: I heartily agree with the last statement of my hon. friend and, as I intimated at the beginning, if any member of the penitentiaries staff or of any other staff under my control is guilty of making derogatory remarks against members of this house, that person is taking his position in his own hands and will not be continued in the service. I am satisfied that my hon. friend from Southeast Grey has been imposed upon. I am not going to discuss the other convict at all—convict 3242. I am leaving him out of it. I am discussing the man who made the affidavit and the charge submitted by my hon. friend. That is one which I will see is cleared up. My hon. friend would not accept my statement when I made it that the inspector, on his word of honour, had denied the charge, but on the following day she brought in the affidavit. I propose to let the house, and particularly my hon. friend, know something of this man Hall, because he is imposing on her. She must listen to this. I want to warn her against the man. He has a criminal record which starts, so far as our records go, on September 13, 1923, at Vancouver. Before giving his record I will say that he is a confidence man out and out. At Vancouver he was convicted on September 13, 1923 of obtaining credit by false pretences, and sentenced as A. E. Hall. On July 2, 1924 he was convicted at Vancouver of false pretences with intent to defraud and was sentenced to six months in Oakalla prison. On January 14, 1925 he was convicted at Vancouver of obtaining money by false pretences and was sentenced to twelve days. Again, in May 1925, he was convicted at Vancouver of obtaining money by false pretences and sentenced to a term in gaol from the first of May. In 1926, May 12, he was convicted in Chicago, Illinois of obtaining money by false pretences and was sentenced to six months in the house of correction, Chicago, to pay a fine of $25 in addition to costs, and ordered to be held to await the action of Cook county grand jury on two charges of issuing bogus cheques. He was placed under bond of $2,000. I have no record to show what ultimately came of that charge. In 1930 in Toronto, on May 9, he was convicted of false pretences and sentenced to a term of from six to twelve months in Burwash prison. In 1931, in Toronto, he was convicted of fraud,—$5 by a worthless cheque; fraud, $20 by a worthless cheque; fraud, $15 by a worthless cheque; fraud, $16 in goods by a worthless cheque. He was remanded for sentence and was put on probation for a year. On January 3, 1933, there was a breach of probation. He was brought up again and remanded again and put on probation for two years further. The last offence was on April 6, 1933, in Toronto when he was sentenced to two years in Kingston penitentiary on a charge of theft.

That is the sentence which he recently served and following which he has been released. I stated that this person was an adept confidence man and I think I fairly well described him. But his operations have not been confined on all occasions to little, petty cheques. For the information of the committee I am going to relate almost a national question, because in the month of April, 1930, the gentleman who styles himself as the Reverend Mr. Hall, psychologist, undertook to form the Canadian National Society and approached the Royal York hotel management about giving a tremendous banquet. The proposal was to have two thousand guests, and it was represented to the management that the chief speaker would be Sir George Foster, a senator. Invitations were conveyed to the then Prime Minister of Canada and to the then leader of the opposition, the present Prime Minister. It was to be a grand affair. The Royal York hotel was imposed upon. They went to an expense of something like $1,400 for this banquet and they received under $200. The total attendance at the banquet was one hundred and eighty people, their tickets, it was said, not being paid for, but the Royal York hotel immediately took action in the criminal courts.

Mr. LAPOINTE: Who were the star speakers at the banquet?

Mr. GUTHRIE: I have not been able to get from the newspapers the names of those who attended. I am taking from the Toronto

Globe the report of the affair as given in the issue of May 9, 1930, after the prosecution had been instituted:

Debonair "Doctor" Hall complains in court of "persecution."

He was tried before Judge O'Connell of the county court of the county of York.

Judgment reserved on Royal York's fraud charge.

"National order" data.

As dramatic in his role of prisoner at the bar as he had been in his speaking appearances on Toronto platform, "Doctor" Alfred Ernest George Hall, yesterday appeared before Judge O'Connell in the county criminal court charged with fraud. Judgment was reserved until to-day.

The accused, self-styled psychologist, clergyman and officer of the "National Order of Canada," was alleged to have obtained food by fraud from the Royal York hotel, and to have fraudulently obtained credit from the assistant manager of the hotel, George R. Street, and the Canadian Pacific Railway.

In November last, the hotel official testified, he met Hall, who arranged with him to give a banquet for two thousand people on the occasion of the initiation of new members of the National Order of Canada. When the banquet was held, witness said, only one hundred and eighty guests turned up. The bill came to $1,149. Hall had previously received credit from witness, it was said.

Albert Wetherley testified that he was once treasurer of the National Order of Canada. He had never received any salary, and at December 9 there was less than $200 to the order's credit. Witness was to have the title of right honourable. There were seventy-five members, but only twenty had paid their fees. A bank manager testified that the order at present had $1.31 in the bank.

"Doctor" Hall, attired in a braided black cutaway coat, double-breasted waistcoat, wing collar and gray trousers, then took the stand. Questioned by Crown Attorney Gordon, he swore that he was ordained in 1908 into the Church of Divine Metaphysics, in Indiana. He at present preached to a "group" in Kitchener.

"During your preaching you spent considerable time in jail," remarked the crown.

"You are trying to persecute me," complained accused. He then proceeded to tell how he had joined the "order" in 1929. He told of planning the banquet, and of trying unsuccessfully to secure the Prime Minister as a speaker.

That would be the former Prime Minister.

They also invited Sir George Foster to speak.

After legal argument, judgment was postponed until to-day.

The following day the so-called reverend gentleman was convicted and sentenced to a term of imprisonment at Burwash, an Ontario prison.

His next venture is also worth describing. After being released from Burwash, he started some magazine subscription company with headquarters in Toronto, not using his own name at all, and he induced people throughout Canada to send him subscriptions to various magazines for which he claimed to be an authorized agent. People who sent their money got no reply, and after waiting a while they placed the matter in the hands of the attorney general at Toronto and also of the crown attorney in that city. Some two hundred and forty-one unfortunates made complaints. The amounts involved in their subscriptions were I think around $2,000. Those others who subscribed and did not complain, we have no record of, but the reverend gentleman was again arrested and tried in the criminal courts of Toronto. On this occasion he was sentenced to two years in Kingston penitentiary.

That is the man who made the affidavit or the alleged affidavit. That is the man by whom this charge against Inspector Dawson has been launched. I have inquired fully into the charge as far as I can, not on oath I will say, but I have the word of Inspector Dawson, who is a gentleman, that there is no foundation for the charge.

I shall not refer to prisoner 3242 except to say that I think he must be mentally wrong because he is looked upon as the greatest liar we have ever had in the institution. I will give the committee one sample. We have in the department a letter from his brother who is a prominent man, a British government official in the West Indies. He writes to our department saying that prisoner 3242 was born in Antigua, was brought up in the Church of England and came to Canada in 1903. Prisoner 3242 says: "I was born in Toronto; I was brought up in the Roman Catholic Church and I have lived in Canada all my life." The brother is a highly distinguished man. I wish the hon. member for South-east Grey would not be led away with stories of this kind and by men of this character. These men are trying to excite her sympathy and probably her animosity against the penitentiary staff. They have laid clever plans for that purpose, and I sincerely hope she will place no dependence upon those stories that were circulated. We all want to protect the honour of everyone in the House of Commons. I am sorry that the matter has been brought to the attention of the house at all, but I am bringing it now and giving the man's record in order that the house may judge. This I am going to say: Having made my statement, if the hon. member for South-east Grey desires an investigation into this question, the truth or falsity of these statements between Hall and Inspector Dawson, I will appoint a county court or high court judge of Ontario to undertake such an invest-

igation at once. Personally I do not think an investigation of the kind is necessary, but I do think, as the honour of a member of parliament is to some extent involved, that the matter ought to be cleared up, so I make that offer now to the hon. member for Southeast Grey. If she desires the investigation after the statement of fact I have given I am quite content to order it.

Mr. LUCHKOVICH: The minister said that if anyone in the service were guilty of any derogatory remarks he would be discontinued in the service. May I therefore ask whether, if a judge made a derogatory statement indicting a whole race because of the isolated crime of an individual he should not also be discontinued in the service?

Mr. GUTHRIE: That is another question. There are certain privileges, honours and responsibilities attaching to members of this House of Commons that should be protected.

Miss MACPHAIL: I shall be very glad to have an investigation into this matter. But this particular question is not what interests me most, although I am most anxious that it should be cleared up, and I shall be very happy to accept the suggestion of the minister. But what I want is an investigation by a royal commission into the whole penal system in Canada, which is a very much greater thing than anything said about me. One must say this at any rate for Hall, he was not asking me for sympathy. He said, "I have a bad record." I did not even ask what it was. He said, "The record will be spread on Hansard, so do not defend me." He said, "I am making an affidavit and the affidavit I make is true, and if it is not true let them put me back in penitentiary." There you are. The department headed by the minister will not have an investigation into the penal system in Canada. It is all very well to put these two cases on Hansard and make it look very bad for me, but what about a penal system marked by demonstrations and riots and fires from one end of the dominion to the other. Let me specify some of the recent ones:

April 5, 1932—
Demonstration at Stony Mountain penitentiary where several guards were injured and one killed.

September 9, 1932—
Further disturbances at Stony Mountain.

October 17, 1932—
Riot, Stony Mountain.

October 20, 1932—
Riots, Kingston.

November 4, 1932—
Riots and fire at St. Vincent de Paul.

Again in 1932—
Unrest in British Columbia penitentiary.

Again in 1932—
Some difficulty not particularly described in Saskatchewan penitentiary.

January 17, 1933—
Riots, Dorchester.

December 6, 1933—
Stone shed strike, Kingston.

May 5, 1934—
Demonstration, Kingston.

May 15, 1934—
Fire and $35,000 damage, Kingston.

March 21, 1935—
Fire at Kingston which the minister says cost something about $5,000.

We have a penal system in Canada in which seventy-three per cent of the total prison population are recidivists—I am using the figures of the hierarchy so they ought to be correct. Twenty-eight per cent have been in penitentiary before and forty-five per cent in gaols and reformatories; in other words three out of four return again. Irrespective of any other evidence, there is something radically wrong with a system that produces such a condition. Imprisonment is necessary, but in my opinion it should be made to serve a constructive purpose, and the moment it does not do so it is failing in its object. I am interested in penal conditions. I used to feel that I could work with the former superintendent of penitentiaries, Brigadier General Hughes. He issued reports that were reports; he always had recommendations at the end. I have talked with him many a time about penology and the things he would like to see done and that I would like to see done. I have read through many of his reports, I happen to have two in my hand; they were certainly very different documents from those of General Ormond. In one of his reports, covering several years starting with 1923, General Hughes said:

> The more punishment inflicted on inmates in a prison the stronger the probability that the place is badly managed.

And again on page 13 of his report for 1923 he says:

> Most of those educated in the treatment of the criminal agree that strict discipline is essential in a properly conducted institution, but all disciplinary efforts are wasted unless tempered with loving and merciful treatment. I have looked in vain for one example of true conversion to virtue through punishment.

I read through again last night the report of Superintendent Ormond for 1934. It certainly is not the kind of report I would think a superintendent of a penitentiary would make. I question whether Lieutenant Colonel Megloughlin ever wrote the report attributed to him on page 11. It is the most curious

sort of report I ever read that anyone would make about his own work. He criticizes himself about the matter of the baseball which the minister mentioned a little while ago, and although baseball may have been carried on in Kingston without the consent of the Ottawa office at any rate it did get this commendation from Reverend Father Kingsley. On page 12 I see he reports that:

A marked improvement has taken place in the ranks of the convicts in Kingston penitentiary since the inception of softball more than a year ago. The physical improvement is so evident that it needs here no labouring by me. But an improvement exists which, not so apparent to the casual onlooker, is none the less very real and even more important.

I suppose one can accept Father Kingsley as a disinterested person, concerned only in the welfare of the people incarcerated in Kingston. Then on the opposite page you have this report, apparently made by Warden Megloughlin:

The warden neglected to comply with the instructions and regulations requiring that every physically fit convict employed in a shop or at indoor work should be given systematic physical exercises during one-half of the period allotted for exercise. He contented himself with permitting the convicts to play at softball or the tossing of quoits.

I do not think Warden Megloughlin wrote that. It was written possibly after he was asked for his resignation. Then it goes on:

The softball eventually developed into competitive scheduled games between different convict gangs and was subversive of prison discipline.

Although across on the other page we have Father Kingsley praising it very highly.

The warden was instructed to discontinue this type of exercise in October, 1933, and gave assurance that "softball will be replaced by free movement exercise just as soon as conditions warrant." Up to the end of the fiscal year no systematic exercise of convicts had been carried out, the result being that a large proportion of the convicts did not carry out any physical exercise but were permitted to sit around in groups and watch other convicts taking part in games of softball and the tossing of quoits. This is the only penitentiary in which the warden and the physician have not reported very satisfactory results following the introduction of systematic and controlled free movement exercises.

At this point I am very much interested to know who wrote that report?

Mr. GUTHRIE: The report itself states that it is written by the inspectors. These are not wardens' reports, these are the results of inspections carried on in those penitentiaries.

The figures and details are all in the wardens' reports, but these are the comments, favourable or adverse, that are made in respect of each penitentiary, Warden Megloughlin did not write that or any part of it; neither did Colonel Piuze, in regard to St. Vincent de Paul.

In regard to the question of a commission to investigate penitentiary matters I want to say that notwithstanding the criticism that has been heard from some quarters of this house and notwithstanding the attitude taken by some newspapers in Canada I am proud to say that Canadian penitentiaries to-day stand higher than or as high as those of any other country in the world. I claim no credit at all for that condition. On August 1, 1932, General Ormond was made superintendent of penitentiaries. That was not my selection. I had never met General Ormond before; I had never seen him. He was selected by the civil service commission. I do not know his politics; if he had any certainly he was not a Conservative. I took him as he was sent to me, and he entered upon his job early in August as a man new to penitentiary management, though he had had much experience in the management of men in our militia and also during the great war. I gave him pretty much of a free hand, but before he had made his preliminary visits to the penitentiaries the great riot broke out in Kingston, in October, 1932. At that time he had been superintendent for only three months and I think had been at Kingston for only two days, on two different occasions. He had nothing to do with that situation, though I know sometimes newspapers and individuals blame him. There is documentary evidence on file that the riot was planned in the spring of that year; the former acting warden had evidence on his file—to which he paid no attention—that there was going to be an outbreak in that institution.

As I have said, I gave the superintendent pretty much of a free hand. Before the first riot he made a number of recommendations which I thought it my duty to submit to the various wardens, the superintendent being a new man. Between the time of submitting them and the end of October the outbreak took place.

We have introduced so many changes in the penitentiary system of Canada in the last three years that you would hardly know it as the same system, and all these changes have been the direct result, from beginning to end, of the recommendations of superintendent Ormond. I claim no credit for them. There have been some thirty or forty changes, which have vastly improved the penitentiary system throughout Canada. Conditions have been very greatly ameliorated. Exercise has been very greatly improved. Privileges are now

granted the prisoners—some people say we grant too many privileges—which in former days they never dreamed of. We allowed what they demanded in the riot of 1932, cigarette papers, and now we give them an allowance of two ounces of tobacco a week, which seems to satisfy them. We now give them pay.

Miss MACPHAIL: Do they pay for that tobacco out of their five cents a day?

Mr. GUTHRIE: They pay for that out of their wages. We pay them now; we did not do so previously.

Mr. MACKENZIE (Vancouver): How much?

Mr. GUTHRIE: I am going to discuss that now. I know there is some criticism of that, because all people do not approve of paying convicts. In England they pay very, very modest amounts in a very few prisons. I believe the highest pay in any place is a shilling a week, but it is only in two or three institutions that anything is paid. In the United States they pay from two cents up to five cents in some prisons, but in ninety per cent of the prisons of that country they pay nothing. There are one or two prisons in which they pay as much as thirty-five cents a day; those are prisons in which prison labour is recognized, where the convicts work on contract work and the goods are sold in competition with the ordinary goods of the country. In those two institutions the contractors are bound to pay wages of thirty-five cents a day.

We allow wages of five cents a day, and they are computed in this way. For the first week nothing is paid. After that they are entitled to five cents a day or thirty cents a week for their work; that applies to the first six months. After they have been six months in the institution they are entitled to six days per month remission. Therefore for the twelve months after the first six months, if their conduct has been good, they receive a remission of seventy-two days on their sentence. After they have seventy-two days to their credit we start paying them ten cents a day and after eighteen months their remission counts up more rapidly because after that period they get ten days a month off for good conduct.

From the amounts paid the convicts is deducted the actual cost of the tobacco used. Formerly they received a free issue of one-eleventh of a pound. Now they receive an issue of one-eighth of a pound, the cost of which is deducted from their wages. The tobacco and papers for a week cost them 13½ cents. They have a balance to their credit in the penitentiary books, accumulating from month to month or year to year until their sentence is served, and on discharge the accumulation is handed to them. For many years back no convict has been sent out with an empty pocket; in recent years he has always received $10 in cash and a ticket to his home or the point where he was convicted.

Mr. MACKENZIE (Vancouver): Regardless of the length of sentence?

Mr. GUTHRIE: Regardless of the length of sentence. Any man who has not earned anything in the penitentiary or who has not $10 to his credit when he is released still will be given his ticket and $10, but men who have accumulated $30, $40 or $50 will be given that accumulation but will not get the $10. It is estimated that this payment to prisoners will cost the government of Canada about $27,000 a year. We will save what we formerly spent for tobacco, but that is taken into account when it is estimated that the sum will amount to $27,000 a year. This payment of wages, which was only instituted last January, is working well and is appreciated by the men, according to the reports of the wardens.

That is one new move. Another change that will be instituted in the near future, I hope, is what is known as the Borstal system, as operated in England. In that country they have a system for the training of youthful offenders which has not been adopted in the federal prisons of Canada to any extent. The Borstal system in England only applies to prisoners between the ages of sixteen and twenty-one. Youthful offenders in that country between these ages are sent first to a detention prison, where they are examined, their fitness for future life is considered, including their adaptability, and a general examination takes place in regard to their history, as well as their present and their future. If they are approved as hopeful or suitable cases they are then put in a Borstal institution and if not so approved they are sent to the ordinary prison. They are kept in Borstal institutions for two or three years. Three years is the limit, and I have read reports indicating that a three-year term is necessary in order to obtain good results. As hon. members are aware these are not what one would call people of the convict class, they are minor or juvenile offenders. In England three classes are made to the first of which belong individuals below the age of

sixteen years who come under what is known as the Children's Act. With a similar act this federal government does not deal. We do not take them into our institutions under the age of sixteen years. Between the ages of sixteen and twenty-one they are regarded as juvenile offenders. We have no person in our Canadian penitentiaries below the age of sixteen,—not a single person. We have however 314 persons between the ages of sixteen and twenty-one. It is considered that a large proportion of these youthful prisoners might be treated under the Borstal system as it exists in England.

No change would be necessary in our Penitentiaries Act to bring that system into effect. We could utilize the present act, in its present form, and if we so desired introduce the system now under discussion. Of course some extra expenditures would be entailed when the system was brought into force. At the present time it is estimated that about 250 of the 314 prisoners under the age of twenty-one might be improved and given a brighter future than otherwise they could have. A great proportion—probably I should say a fair proportion of the offenders between these ages are not first offenders; some of them are third offenders. Forty-four of them are incarcerated under two-year sentences for escapes from provincial institutions where they have been treated more or less along the lines of those followed under the Borstal system. The institution at Guelph could be so described. However these prisoners have escaped and for that reason have come into our hands.

The adaptation of the buildings is a point which will have to be considered. If we adopt this system we will have to have further prison construction. At St. Vincent de Paul there will not be a great deal more required because at the present time we have in course of erection at that point an institution which would suit very well application to the Borstal system. The work, if not performed by convict labour, could be very speedily completed by contract labour. As a rule, nearly all penitentiary construction is by convict labour. This I will grant is not the most satisfactory kind of construction, because in a great many instances the labour is not what could be described as skilled labour. However the institution at St. Vincent de Paul could readily, if we adopted the contract system, be completed and made into a first-class Borstal institution. At Kingston some further building would be required. I believe the facilities in Manitoba could be adapted to the Borstal system without any great expense, and the same would apply to Prince Albert. I am told however that at New Westminster there would have to be some additional expenditures.

As the total population at the present time between these ages is only 314, and as it is divided among six or seven penitentiaries, I believe some system whereby we could reduce the number to two or three would be most satisfactory, having regard to the geographical situation in Canada. Distances in this dominion are very great. So far as possible it is proposed to adopt that system in dominion prisons. However the great bulk of youthful or juvenile offenders in this country are not those to be found in our penitentiaries. They are to be found in provincial institutions, and whether or not we will be able to induce the provinces of Canada to adopt the system I cannot say. The ordinary gaol and reformatory are under provincial, not federal jurisdiction. However I propose at an early date to send the superintendent to England to make additional inquiries concerning the Borstal system, so that we may have a report upon it at the earliest possible moment. I am satisfied that at least to some extent it can be adopted without enormous expense to the penitentiaries of Canada.

I am pleased to say the penitentiaries population is slightly decreasing and that our staff is being gradually reduced. According to information I have the actual penitentiaries population on February 28 of the present year was 3,603 prisoners.

Miss MACPHAIL: Would the minister repeat that?

Mr. GUTHRIE: 3,603 prisoners of all grades.

Mr. LAPOINTE: A decrease from what year?

Mr. GUTHRIE: I shall come to that in a moment. In addition to this number we have 76 people in asylums, and 20 in hospitals or on temporary ticket-of-leave making a grand total of 3,699. For the information of hon. members I shall give the figures for each year. In the year 1933 the prison population was 4,587; last year it was 4,220 and the figure for this year, as I have just given it, is 3,699. This decrease has enabled us to reduce the staff of guards in British Columbia by five and to reduce by another five the staff between Collin's Bay and Portsmouth. If the present population decreases we will be very pleased to make any further decreases in staff which may be possible.

Hon. members will note that the vote is for almost the same amount as was asked

last year. The reason is that on account of demands made upon us by labour organizations and the like we have had to adopt three eight-hour shifts, so far as guards are concerned, involving an increase in the number required. When three or four years ago the matter was discussed in parliament a report from the then superintendent indicated that the new system could not be introduced without an increased expenditure of $250,000. However at an increased cost of $70,000 we have the three-shift system operating in all penitentiaries. This practice does not work out in exact compliance with the terms of the eight hour day legislation introduced this session. Under the system in operation more than 48 hours are worked. Some further adjustments will be required because the two remaining shifts do not work quite as long as the day shift. The day shift begins operation at the opening of the prison in the morning and remains at work until the count in the afternoon, after the shops are closed.

I make particular mention about the penitentiary guards because I have received many letters respecting them. May I observe that their working hours, when one year is compared with another, are not too strenuous. As is the case with every other person, they have one rest day each week. They have eighteen days of holidays in each year, something which very few workmen enjoy. They are allowed three of our national or legal holidays, in addition to the eighteen days I have mentioned. If they become sick they are given leave of absence during their sickness. If you compute the days they are allowed off, fifty-one rest days, eighteen days of holidays, three days of national holidays and sick leave I do not think anyone can argue that they are exceptionally hard worked. In some instances they do work a little more than eight hours per day. It is hoped that the staff will be further reduced due to a reduction in prison population.

There is another matter I should like to clear up, one which has been brought to my attention by some hon. gentlemen. I am sorry one of the hon. members interested is not in the chamber. I refer to the alleged decrease in crime and prison population in England. It is currently supposed that there has been a tremendous decrease in crime in Great Britain but I am sorry to say that that is not the fact. The reason there is a supposed decrease is the fact that in the British prison reports they do not include any convictions under the Children's Act, which covers those up to sixteen years of age, or under the juvenile offenders act, which covers those between sixteen and twenty-one years of age. The result is that the number of felons or convicts is shown to be decreasing when in fact the opposite is the case.

Mr. LAPOINTE: Have they not closed some of their gaols?

Mr. GUTHRIE: I will deal with that; they are opening some too. The following is from the official report of the commissioners of prisons:

> The year 1932 saw an increase in the convict population. The daily average of men rose from 1,450 in 1931 to 1,512 in 1932. This increase has continued into 1933, and the total population rose in the last week of September, 1933, to 1,646.

After the war and in order to reduce staff, as was stated, a number of old, antiquated and worn out prisons were closed. There were many such prisons in Great Britain, some of them being centuries old. These buildings were in such a state that they could no longer be used as human habitations and they were torn down. The number of prisons, gaols and lock-ups was reduced from 92 to 30. They are now opening new prisons. I state this not to show that they are worse there than we are here but to rid the house of the impression that serious crime is decreasing in the United Kingdom.

Our penitentiary system as it is to-day is to some extent a model for other countries. This system has been commended by high authorities in prison work in the United States. The superintendent of penitentiaries has been made a member of the American Prison Association, being also a member of the board of directors. He has been made a member of the prison educational committee and in the United States as well as in Canada is looked upon as an authority on such institutions. He has visited innumerable institutions of every kind in the United States in order to see the latest development in prison methods and prison reform.

Miss MACPHAIL: How long has he been superintendent?

Mr. GUTHRIE: Since August, 1932. He has been invited to attend the great world prison congress to be held next summer in Berlin, Germany, but I do not know whether we will be able to spare him. His work is reflected in the condition which exists to-day in Canadian penitentiaries. The accommodation we provide is better than that provided by almost every prison on the continent of America.

THE ROYAL ASSENT

A message was delivered by Major A. R. Thompson, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, His Honour, the deputy of His Excellency the Governor General, desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, the house went up to the Senate.

And having returned,

Mr. SPEAKER informed the house that the deputy of His Excellency the Governor General had been pleased to give in His Majesty's name the royal assent to the following bills:

An Act to provide for a weekly day of rest in accordance with the convention concerning the application of the weekly rest in industrial undertakings adopted by the general conference of the international labour organization of the League of Nations, in accordance with the labour part of the treaty of Versailles of 28th June, 1919.

An Act respecting Relief Measures.

An Act for the relief of Mary Wynifred Bayford Bennett.

An Act for the relief of Lillian Gurden McIntyre.

An Act for the relief of Minnie Elizabeth Lyons Dafoe.

An Act for the relief of Trevor Eardley-Wilmot.

An Act for the relief of Marie Philomene Florence Maher McCaffrey.

An Act for the relief of Stuart Lewis Ralph Henderson.

An Act for the relief of Charles Henry Campbell.

An Act for the relief of Maria Elphinstone Hastie Kinnon.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1935.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1936.

SUPPLY

DEPARTMENT OF JUSTICE

The house in committee of supply, Mr. Morand in the chair.

Penitentiaries—amount required for cost of administration, construction, purchase of land, supplies and equipment, maintenance and discharge of inmates at Kingston, St. Vincent de Paul, Dorchester, Manitoba, British Columbia, Piers Island, Saskatchewan and Collin's Bay penitentiaries, $2,830,947.75.

Mr. GUTHRIE: Before I conclude this part of my statement there is one other matter I should mention which I omitted. We have also established something in the nature of a star class among the prisoners in the penitentiaries, generally on the lines established in England. There they call it the star class, but here we have not adopted that term. We have taken over the old prison for women in Kingston for those prisoners who we think are entitled to perhaps more lenient treatment or a little more liberty than the others. There are now in that women's prison forty-three such prisoners; they have been selected chiefly on account of their conduct and their adaptability for reform. Some of them are serving life terms. Really the only privileges which they enjoy over other convicts is that they are kept by themselves although they work at the ordinary tasks, mixing with other convicts. They are allowed to assemble in a common hall after working hours and to talk or to smoke or to play games as they see fit. They are also allowed to take one meal a day together, while the others are fed separately in their own cells. I do not know that there are any other privileges attached to this class at the present time, but it corresponds very largely to a class of prisoners they have established in England which they call a star class, and I believe it is the only one in English prisons which is permitted to use tobacco. That is in line with the policy of segregation which has been instituted in all Canadian penitentiaries. We are trying as far as possible to carry out a scheme of segregation so that the prisoner who shows any inclination for reform may have every advantage possible in a penal institution. The inspector's report sets out what has been done in that respect, but there is a good deal to be done yet. When a prisoner is admitted, he is examined as carefully as possible by the warden, the deputy warden, the chaplain, the schoolmaster and other officials to see what it is best to do with that man. You cannot altogether segregate them by ages, although ages have a good deal to do in regard to such a question. That work was instituted about a year and a half ago and is being carried on. It will be carried on and continued, and as our buildings afford us an opportunity it will be carried on to a larger extent than it is now.

I do not know if I need go into the various matters which I discussed in this committee a year ago as to cell accommodation and the like, but I refer to it only for this reason, that the hon. member for Southeast Grey, as is also every other member, is a statutory visitor of all penitentiaries whenever she has a desire to go there, and nothing would please me and the staff more than that a deputation should go through these penitentiaries—the nearest one is Kingston or St. Vincent de Paul—from

top to bottom and spend all the time they like there, because I am convinced there would be only one report. The hon. member for Southeast Grey paid a visit as she says, I think it was in February last, and went pretty fully through the male institution. Why she did not go through the female prison, I do not know. Perhaps she had been through it before, or time did not permit. But I would be inclined to think her judgment would be better in regard to the female prison than in regard to the male one. As regards a prison for male convicts I would rather have the judgment of men of the world, but that is neither here nor there. However when she went through this last prison I have spoken of, in one section of which we put the preferred or star class, I do not think this was drawn to her attention or at least she did not go through it. Had she done so, she would have been impressed by the great improvement that has taken place there.

After her visit there were a good many newspaper accounts, I suppose as a result of interviews, and she very stoutly condemned those nine cells which we call punishment cells, commonly called in the penitentiary the "hole." She also condemned all the cells; it was as reported in the newspapers, a general condemnation of the cells. Now we have had an examination of those cells and they measure up for capacity, light and cleanliness with any that are known in the world; they are larger than any on the North American continent. There were a few that were built I think about a hundred years ago that may be six inches shorter than some built in the newest United States prisons last year, but cell for cell ours are larger than those of any other such institution.

Miss MACPHAIL: As regards the cell block in St. Vincent de Paul, you could not have much smaller than three and one-half feet by six.

Mr. GUTHRIE: I am talking of Kingston penitentiary at the present time. It was concerning that penitentiary the interview was given.

Miss MACPHAIL: I visited both institutions.

Mr. GUTHRIE: There are nine punishment cells and they are used only for purposes of punishment. They will be found in all penal institutions, because we get prisoners that we cannot control otherwise than by putting them in a place by themselves. Those cells are supplied with a stout oak door on the outside, so that if the prisoner becomes noisy, as they very often do, the door may be closed. It is stated in the interview as reported in the newspapers, that there is no air in those places; that there are only two or three holes in the oak door. Well, the attention of my hon. friend was not called to the fact that in every one of those cells there is a ventilator above.

Miss MACPHAIL: I am very sorry but they were called to my attention by the warden who said that they did not work.

Mr. GUTHRIE: Well, they worked when I was there and I was enclosed in one of those cells, as was also the Prime Minister. Under the door there is a duct especially to provide air, and in the door there are three or four holes, an inch or an inch and a half in diameter, not very large, I admit. Those doors are closed only when we have noisy, obstreperous prisoners that cannot be controlled otherwise. I know in some places they advocate the gag for such prisoners. We do not, but we do what they do in Ontario reformatories —have strong doors to shut out the noise. Those doors are very seldom closed. The last time any one of them was closed on a prisoner was on May 6 of last year, and only for a few hours one night. We have to have some place where we can restrain men and keep them from disturbing the whole institution. I do not approve of the gag. I know it is adopted in prisons throughout the world, but the strong door as they have it in reformatories in Ontario is the only means I know of which we can utilize to maintain order and keep night from becoming hideous.

The whole buildings are open to the inspection of anyone who wants to come and see them. I only wish a large deputation would go through them. I am sure the staff of the penitentiary would welcome this also, but of this I am confident: these prisons in Canada today are of a very high order. No prisons are like boarding houses or hotels or homes; they are not supposed to be. But the prisoners are well looked after; their privileges have been tremendously extended under the new superintendent, who deluges me with new suggestions every week. There has been a gradual general improvement throughout them all; there may be others in the future, but I am satisfied that to-day they compare favourably with any prisons in the world.

Mr. CHURCH: Before this vote passes I wish to bring before the committee a matter in regard to administration which I brought up on many occasions when I sat in opposition. I hope the minister will not

take exception to my remarks, because there is nothing personal about them. In these discussions I doubt whether we appreciate the task that the Minister of Justice has to-day, with the distress prevailing in this country. I think the minister of that department has one of the heaviest burdens that is laid upon any minister. He must not think anything said by his supporters in the house is in the nature of criticism of him personally.

As chairman of the police commission of Toronto I was head of a police force for some seven years, and a member of the city council for seventeen years. A few years ago when my good friend the hon. member for Quebec East (Mr. Lapointe) was Minister of Justice I brought to the attention of the house the matter of inspection of these institutions. There is something bigger involved in the cause and effect than the details that have been described by the hon. member for Southeast Grey (Miss Macphail). I believe however that in visiting these institutions she has done a great public duty. By the act the board of visitors consists of members of parliament and of the Senate and a few others, but as with the members of the board of the Canadian National Exhibition or any other large institution, only a few do the work. When is a visitor not a visitor in these institutions? When he is a member of parliament or of the Senate.

May I refer to a bill I had before the house a few years ago relating to the right of the grand jury to visit these institutions. The late Colonel Denison, one of the greatest magistrates of the empire, was constantly complaining of having to send youths of sixteen, seventeen and eighteen to these institutions. So was the police commission and one of our greatest police chiefs, the late Colonel Grasett, whose father succeeded John Strachan in the administration of the diocese of Toronto. That diocese has been taking up this work of social and prison reform. These officers were all of the opinion that some other institutions should be provided by this country for juvenile offenders and others of whom the hon. member for Southeast Grey has spoken. Just the other day a woman was hanged in the city of Montreal, in regard to which there was public protest, and as to the blame we had to pass the buck to the province, under this famous relic we have, known as the British North America Act. The time has come in this country—had we had a longer session I should have brought in a bill to that effect—to do away with the hanging of women. We have had only two or three in our recent history.

[Mr. Church.]

What we need is some different form of inspection. In the bill I presented to the house in 1928 and 1930 I proposed that it be done by the grand jury, but the government of the day did not see fit to adopt it. A late chief justice of Ontario, Hon. R. M. Meredith, presiding at the Toronto assizes supported this bill in 1930. In my opinion the inspection is not satisfactory. He did not believe they knew what was going on in these institutions. I do not believe the inspectors know half what is going on; it is largely hearsay to them. This is what the late Chief Justice Meredith said regarding my bill, quoted by me at page 2760 of Hansard for 1930:

> Such inspection is in accord with that great principle in the administration of justice which for centuries has been applied and confirmed by Magna Charta, namely, that the people shall have a large share in the administration of justice in criminal cases.
>
> Whether penitentiaries are well or ill managed they are managed altogether by crown officers; and the management of them is a thing of much importance in the administration of the criminal laws, so much that assuredly the people should be entitled to some means of learning for themselves what the crown officials are doing and how it is being done.
>
> The grand jury, representing the people of the judicial district, can most conveniently and at no cost perform for the people the duty of visitation.

Right after these views were expressed by the chief justice at the Toronto assizes he said that in Hamilton two sane men for several years were in the asylum, and in one case in York county girls were found without food and shelter in a dungeon below ground, this being punishment for some minor offence. These were the views of one of the ablest jurists in the province after forty years on the bench. In some counties there are five sittings of the grand jury a year, and the chief justice suggested that inspection by the grand jury be made twice a year.

The leader of this party, who we are so glad to hear is recovering, supported this bill. He wanted to know what harm it would do. He believed that what the bill proposed was the practice in England. But the government of that day declined to accept it. I do not say it is the only method of inspection, but I would request the Minister of Justice to consider inspection by another board. Inspection by these visitors under the act to-day is a solemn farce. They do not inspect at all; they never visit; they do not know what is going on. I admit that the hon. member for Marquette, (Mr. Mullins), visited Kingston penitentiary; he is always to the fore in trying to see for himself conditions as they are.

My suggestion is that the chief justice and the court of appeal of each of the provinces should appoint a board of visitors for these various institutions in every province of Canada. Then we would have some independent body and report in each province and know whether we are getting value for the money. I do not believe the Conservative party should be put in the position of defending and justifying and apologizing for conditions as they are to-day, because I believe that in respect to not only these social questions but others the day of laissez-faire is gone forever in this country. The people are sick of talk; they want action. As I said the other day, the two old parties must open their ranks to men of new ideas and bring such men in. Law reform to-day in England in the civil and criminal courts of that great land is a most important question, and they have accomplished a great deal. We are talking about sending a deputation or officials to England to look into the Borstal system. Law reform and parliamentary and constitutional reform is the most important problem involved in the administration of this vote, amounting to $2,800,000.

A matter in connection with one of these institutions was brought up by an hon. gentleman when I was in the house before. He brought in a resolution condemning these institutions on the ground of their being contrary to all known laws of hygiene, and I believe they are subject to condemnation on that ground. A former health officer in Toronto, Doctor Hastings, condemned these places. Up to a few years ago, before this government took office, in connection with one of these institutions there was a farm of about six hundred acres which was hardly worked at all, while the men were kept indoors without recreation. I commend the Minister of Justice because he and his officials have made a great many improvements. The late government turned a deaf ear to all these proposals, but the present Minister of Justice has effected many improvements all along the line in the conduct of his department, and adopted many humane methods. But I wish to take this opportunity of protesting against sending young offenders to these institutions. Just last Thursday in Halifax Mr. Justice W. L. Hall, I think it was, had to send a boy to a federal institution in Nova Scotia. Why? Because, he said, no provision is made by the province to take care of such cases.

I have a return here of June 24, 1925, brought down by the former Minister of Justice (Mr. Lapointe) in response to my question as to—

1. Number of juveniles under eighteen now detained in the penitentiaries of Canada, where, and how many sixteen or under, seventeen, eighteen and nineteen years of age?

2. Whether it is the intention of the government to give effect to the recommendations for years of grand juries and public bodies to provide separate institutions for these cases; if not, why?

3. Whether it is the intention of the government to so readjust the rules of these institutions so that juveniles and first offenders will have preferential rules and also a better classification consideration to those of repeaters?

4. Whether it is the intention of the government in the recess of parliament to appoint a royal commission or committe of the house to go into the whole question of prison reform in Canada as suggested in the debates in Hansard, 1922; if not, why not?

Following that return, however, no action was taken by the preceding government. It was found that there were sixty-four offenders of this type in all Canada's federal institutions. I believe provision should be made for the families of these inmates. What is being done in that regard? I admit that the financial situation is not what we would like it to be, but why should the women and children suffer? In my own riding I have an institution of this description; it is a relic of the oxcart days, and I am sorry something has not been done not only in regard to these federal institutions but also in regard to those maintained by the municipalities and provinces, many of which have been condemned by grand juries.

I should like to refer also to wardens' courts, which are in my opinion absolutely illegal. The assault and battery which takes place during those courts is absolutely unlawful. I am supported in that opinion by the eminent authority who wrote The New Despotism, Lord Hewart of Bury. At page 107 of his book he refers to the powers of judges and to the independence of the judiciary of England being interfered with by acts of parliament which give the executive the right and power to make rules and regulations with the authority of statutes and which are even beyond the scope of parliament itself to pass. I hope the day is not far distant when this matter may be referred for the opinion of the Supreme Court of Canada. I say it is absolutely illegal to impose the penalties that are imposed by these star chambers called wardens' courts, with no authority at all except a telephone call to Ottawa. I should like to read what Lord

Hewart has to say of these rules and regulations having the effect of statutes and removing the liberty of the subject from the protection of the law courts:

> But, vital as the independence of judges has always been, there never was a time when it was more manifestly important than in these latter days, when the effect of so much that the executive does or permits is to render it difficult for the courts to maintain the rights of the individual.

Then he goes on to condemn these acts which give the governor in council power to make these regulations.

Another matter which ought to be considered is the choice of officials. There is not a trained man in the whole department; they just train themselves by experience. I remember that when the late chief of police of Toronto Colonel Grasett was retired it was suggested that we should bring in an outsider, a military man as head of the department. In my opinion a military man is the last man who should be chosen to administer a police department; it is not the proper place for a man with military training. The present head, General Ormond was a good soldier; he is a perfect gentleman and I have the utmost confidence in him. I have not the pleasure of his acquaintance, but I know the high regard in which he is held by all those who know anything about him. I would point out, however, that when we considered filling the position of chief of police of Toronto Sir John Eaton and representatives of the board of trade appeared before the commission. I suggested to Sir John Eaton that a man could not learn Eaton's business in a day, and I said that a man could not learn the police business or be superintendent of penitentiaries in a day. Still men are brought into this department without having received any training at all.

They are trained by their experience from day to day; they start off knowing nothing about it, and as days go by they try to learn about their duties. I believe something should be done to create some system such as they have in England by which proper types of officers of all ranks are trained for this work, which is most important. I sympathize with the minister sometimes in the criticisms that are made against his department, as he has effected many important reforms. The Conservative party are the authors of all prison reform in Ontario at Guelph reformatory and the Mimico farm, which reform was one of the chief glories of Conservative policy under Sir James Whitney and Hon. W. J. Hanna, Provincial Secretary. I do not know anything about the details, but I do plead with the committee to give some consideration to these youthful offenders. I have before me an article written by Magistrate Jones of Toronto with regard to the Borstal system which is endorsed by the following, among others:

The Primate, Church of England in Canada.
The Moderator of the United Church of Canada.
The General Assembly of the Presbyterian Church in Canada.
The Salvation Army in Canada.
The Church Army in Canada (Anglican).
The Director of Catholic Charities.
The Catholic Big Brothers.
The Protestant Big Brothers.
The Jewish Big Brothers.
The Catholic Big Sisters.
The Protestant Big Sisters.
The Jewish Big Sisters.
Judge H. S. Mott, juvenile court, Toronto.
Four judges of the county of York.
The magistrates of the city of Toronto.
The crown attorneys of the city of Toronto.

These are all asking this parliament to do something with regard to the Borstal system. The senior magistrate of Toronto, Mr. Jones, has written me many letters in this connection, and I promised to bring the matter to the attention of the house. I should like to read one paragraph from the article:

> This expression "Borstal system" has no statutory origin. It is a colloquial expression, adopted because the first "school" established under the Prevention of Crimes Act, 1908, was built at a place called Borstal.

What is this system which has been in operation in England for many years? It has four features, first, education and lectures; second, trade instruction; third, regular gymnastics and drill; fourth, a scheme of rewards. This scheme in its entirety is supported by the various public men and public organizations I have indicated. In the speech from the throne I find this statement:

> My government has under consideration the adoption, throughout the penitentiaries of Canada, of a system similar to that which is known in England as the Borstal system and is making investigations as to its operations.

Under that system I believe it is possible to reclaim seventy-five to eighty per cent of our youthful offenders. We all know what the Red Cross did in rescue work during the war in prevention work, and I believe the same thing can be done in peace time to-day in connection with this problem which is one of the most important problems with which this parliament has to deal.

Another matter to which I should like to refer is the way Magna Charta has been violated, in that we have imprisonment for debt in this country. I should like to refer also to the way these young offenders who escape are treated. Can you blame them for escaping from these institutions? In their

youthful enthusiasm they get free for an hour or two, and when they are recaptured they are sent to these other institutions which are not prepared to receive them. Where do these young men come from? They come from some of the finest homes in this country, because they cannot get jobs. I agree with some of the things said the other night by the hon. member for Brome-Missisquoi (Mr. Pickel), though I disagree with three-quarters of what he said. You cannot blame the younger generation for this problem, just as you cannot blame them for the railway problem, the Beauharnois deal or the British North America Act. Most of the juvenile crime in this country results from the fact that these young men are living in a jobless age, and instead of staying around home and sponging on their fathers they strike out for themselves. They ride the rods to the coast, perhaps; they are locked up in some gaol, and when they escape for a day they are sent to these federal institutions. I am surprised at the judges and magistrates who send these young men to prison for escaping while serving a ten days' sentence to two years in circumstances such as these. I think there should be a very liberal policy of clemency followed in all these cases. I believe that about forty per cent of the juvenile inmates of penitentiaries could be sent home without doing any harm to anyone or any public interest especially the first offender.

I should like to refer for a moment also to the indeterminate sentences so often imposed. I think those sentences should not be permitted. Chief Justice Meredith attacked these sentences of two years determinate plus two years indeterminate; he said he believed the act was ultra vires and should be repealed as two years was the limit they had, and I do not think that act is in the best interests of the people of this country. We must expect some criticism. It is often said that those who criticize the system at all are uttering sob stuff, but that is not so. As Tennyson said:

> Our little systems have their day;
> They have their day and cease to be:
> They are but broken lights of thee,
> And thou, O Lord, art more than they.

I believe the time has come for prison reform, all along the line. As I said a few days ago, low wages in Canada have been the cause of many crimes. These people have been reduced through poor living and as a result crime has been forced upon society. Child labour has had the same result. Many children who should be at school are working in factories, and records indicate that most of the young offenders have been underprivileged children who have come from poverty-stricken homes. These young people have never had a chance, and from birth have been under-nourished and handicapped.

Social workers, police and railroad men assert their belief that the overwhelming majority of these young men and boys are "on the road" because there is nothing else to do. Sometimes they are there because pride will not permit them to sit idle at home, sometimes because support for the whole family has come from a relief agency and has been wholly inadequate properly to feed the younger children. Evidence has been conclusive that these people are not of the hobo or criminal type. What is happening to these unfortunate youths is most distressing. Accustomed to decent standards of living these people go for days without taking off their clothes to sleep at nights. Through this manner of living they become dirty and unkempt. In winter they suffer from exposure and hardship. The number of wandering families, unattached men and women and boys and girls vastly exceeds those of former years, and the make-up of these groups has changed radically.

The traditional single transient in earlier years was the seasonal labourer, the knight of the road, and the occasional run-away boy or adventurous youth. To-day young men and boys who would normally be at work or in school predominate in this migratory army. Men and boys swarm on every freight train in such numbers that the railway police are helpless to keep them off.

I know the minister to be a warm-hearted man, one who is most sympathetic, and would urge that he consider this matter. Without sending a deputation to England to study the Borstal system we should include a vote in the supplementary estimates for the purpose of beginning this particular work. These ladies and gentlemen of church and state who signed the recommendation I read before are not asking for any sentimental or soft treatment, but are only asking that we follow the motherland, where all great social reforms originate.

I am not familiar with the details to which the hon. lady member for Southeast Grey has referred, but I will say that a few years ago, in company with two celebrated men, I visited one of these institutions, and after viewing it I came to the conclusion I must be living in the stone age. I saw what was going on. I am of the opinion, as are many other people,

that something should be done. The city of Toronto pioneered in this work. One superintendent, Rev. Mr. Findlay, a most estimable gentlemen, did admirable work at our jail farm. We know that the Conservative party originated these prison reforms, and tried to do something for the rising generation. To understand the situation thoroughly we must understand causes and effects, and in my view the time is not far distant when something will have to be done.

To my mind the condition is most unsatisfactory when we find it possible to spend millions and millions of dollars to operate our railways and do not see our way clear to spend a small sum to make more bearable the lives of some of our unfortunate citizens, many of whom are in misfortune because of economic conditions and because of the fact that they could not get work. We have a vote of about $2,000,000 for the health of animals, but when it comes to voting a small sum in the present instance to take care of people under twenty years of age we think it necessary to send a deputation. When the deputation goes to England I hope it will take time to extend its trip and visit the mythical League of Nations. In that event upon their return we might have some support for the Borstal system. I believe it would be too bad to have to wait another year before doing anything in a practical way towards adopting what these gentlemen of state and church have suggested.

Mr. GUTHRIE: May I say to the hon. member that grand juries are entitled to visit penitentiaries, and as a matter of fact do visit them. The regulation to which reference has been made was passed on the recommendation of the present superintendent. For a number of years wardens' courts were thoroughly objectionable. The prisoner could be asked for a statement without the complainant being produced before him. The present warden however has made a regulation whereby the complainant must be in the presence of the prisoner, and the evidence of both persons must be taken in connection with a breach of prison rules or discipline. That plan has been in force at least for two or three years.

In connection with the Borstal system may I state it is not proposed to send a commission to England. I have had many requests from estimable people asking me to send them on a commission to England. The document read by the hon. member contains the names of some of them. These people are deeply interested in prison work. It is proposed however to send only one man to look into the matter and that man will furnish a report in three or four weeks.

Then, reference has been made to Lord Hewart's book. I do not know that I need go into the reference. It would appear however that the hon. member condemns military appointments in prisons. Our act provides they shall have preference and must be considered first. In all large prisons in England military men are selected to hold positions as wardens.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. BELL (Hamilton): Mr. Chairman, whatever opinions may be entertained by hon. members regarding the value of the arguments which have been put forward in support of varying points of view, I feel that there are at least two things in connection with which all hon. members are entirely in accord. The first and perhaps more obvious is that those who have spoken on this item are entirely right when they refer to it as a matter of the very utmost importance to all the people of Canada. There is no hon. gentleman sitting in this chamber or entitled to sit in this chamber who has not resting upon him the responsibility of representing as fairly and as intelligently as he can the views of his own constituency in regard to this matter of very grave importance. It is but a truism to recall the words of one of the greatest reformers that the British empire has ever known, the immortal Dickens, who said that there was no activity which could be carried on in commercial or family life that was not affected by the way in which the community as a whole elected to treat the criminal class. One must realize that this matter in respect to which the hon. member for Southeast Grey (Miss Macphail) is so wholeheartedly in earnest is of consequence to every hon. member and to all the constituents of those members.

Another thing which seems to me to be entirely clear is the fact that the hon. member herself is so sincere and so anxious to do that which may be of real good. We would be less than fair if we failed to recognize these facts and applaud her for her stand. During the course of this discussion it has been suggested that perhaps her very wholeheartedness and her great womanly sympathy for some of those whom she has seen incarcerated in Kingston penitentiary, and perhaps in St. Vincent de Paul, has affected her

to the extent of leaving her with not quite the fullest capacity to judge the situation. I can well believe that when it comes from the lips of the Minister of Justice (Mr. Guthrie); I can well believe it when I recall something which came to my own notice during a visit to Kingston penitentiary in order to acquaint myself with conditions there. It was said of the hon. member for Southeast Grey that she climbed the long stairs which led to the Protestant and Roman Catholic chapels at a time when the prison choir in the Protestant chapel was engaged in practising the hymns for the next Sunday's service. As she entered, the hymn being practised was, "The day thou gavest Lord is ended." It is said that the members of the choir took one look at the hon. member for Southeast Grey and immediately abandoned the practising of that hymn and burst into the strains of "Abide with me." We can therefore realize the universal appeal which the hon. lady has for those in whom she takes an interest.

She told this committee this afternoon that there was something essentially wrong with our penitentiary system because, to use her own words, there had been demonstrations, riots and, I believe, fires in the various penal institutions. I take it that she has had to rely for her information, as all of us would under similar circumstances, upon three things. First, she had to rely upon her personal inspection of the premises. Second, she had to rely upon what she could learn from conversation with those who were or had been incarcerated in the penitentiary. Third, she had to rely upon those things which might come to her notice by way of correspondence or, as we have heard, in the case of one man whose case she has espoused, by way of an alleged affidavit. Let us consider briefly the effect of those things and the value or weight which can be attached to them.

Miss MACPHAIL: I am sorry to correct the hon. member. The list I gave of fires, demonstrations and riots was not obtained from the sources of information he has mentioned; it came from the reports of the penitentiary officials. He might read them for himself.

Mr. BELL (Hamilton): I am certainly obliged for the gracious permission. It occurred to me that the hon. member had relied to a certain extent upon her inspection of the premises and upon what had been said by those incarcerated there, as well as what had been committed to writing by some one or more of them. If indeed she now informs this committee that she relied upon none of these sources of information, then our task of dealing with what she now proposes is infinitely easier. Perhaps she would like to reply to that. I pass on.

Miss MACPHAIL: Maybe I had better reply now.

Mr. BELL (Hamilton): I am grateful.

Miss MACPHAIL: I should like to relieve the hon. member's mind about the hymn singing. There was no one singing hymns of any sort when I visited the penitentiary on two occasions.

Mr. BELL (Hamilton): Perhaps they only said "Abide with me," without singing it.

Miss MACPHAIL: There was no one there to say it.

Mr. BELL (Hamilton): Coming to the various sources of information, I am sure the lady member will pardon me for thinking that there were at least reasonable sources of which she might have availed herself. Coming to the possible sources of information which I have alluded to, the reason why I specified them just now was that her statement this afternoon, if I took it down correctly, and I hope I did, was that there must be something wrong with a system that produces such things. There is a gap. When hon. gentlemen are now considering whether or not the request for the appointment of a commission of inquiry shall depend on the determination of whether the alleged conditions have produced these results, how is that gap to be filled? It can be filled only in the event of there being available human knowledge in regard to conditions in other institutions which eliminates the possibility of any other explanation, and that is all.

My hon. friend from Southeast Grey has said—and I shall be glad to be corrected if I am in error—that there was a very serious charge laid by a man named Hall, regarding whose alleged statement under oath we heard from the Minister of Justice this afternoon. I take it that that did not come out of a report of any prison commissioner. I take it that when the hon. lady relied on that statement—and I am sure she must have, because undoubtedly she acted in good faith—that was something which came to her either as a matter of correspondence or as an alleged affidavit; and when we are considering what value or importance is to be attached to that, we cannot fail to remember that with all these good, splendid intentions that she has for prison reform and for the amelioration of the lot of those who are unhappily confined, she has not been, to put it a little roughly, a very good picker; because the

Minister of Justice reminded us this afternoon that one on whom she had placed reliance before, had proved to be almost the least entitled to reliance of those unhappy prisoners incarcerated behind the walls in Kingston. Then again we find what happened in connection with the man Hall. The trouble, I think, is that, in spite of an earnest, sincere, sympathetic—

Miss MACPHAIL: Cut out the cant.

Mr. BELL (Hamilton): —trusting nature such as hers, and, in view of her interruption, I may add her sweet femininity, one of her difficulties seems to be a lack of appreciation of the bona fides of those with whom she may come in contact under these conditions. She is not original in that regard; we have all known many learned judges who failed to size up at a glance, or more than one glance, those who testified before them. But there is one thing which apparently eludes many people, amongst them the hon. member for Southeast Grey, and that is the sincerity or want of sincerity with which information imparted to them is given. In other words, when she gets this information she takes it at its face value; but the convict who imparts it may have, and very often does have, an entirely different idea in his mind. It reminds one of the story of the chaplain who some years ago visited Dannemora, the tough prison of New York state. This chaplain felt that he had it within himself to reform even the hardest and toughest of prisoners. He was willing to meet them half way and expected, regardless of what the conditions might be, that they would respond; and when he was told that there was one man who had been sent there from another penitentiary because he was, in the vernacular, so tough that no one could reach him, this chaplain said—and he was not the only chaplain—"Let me have a try." And so he inquired as to the antecedents of this particularly hard prisoner. He was told that the man was what is popularly known as a firebug, a man who lives on the proceeds of incendiarism. The prisoner was brought to him and he looked his part, but the chaplain was not discouraged. He made his way to the prisoner's cell and there sat down. The prisoner sat on a stool and turned his back to the chaplain. The chaplain opened his bible and read the wonderful story of the occasion when Elijah ascended to heaven in a fiery chariot and dropped his mantle, which Elisha picked up. At first the prisoner was disrespectful, but after a few moments of the recital he displayed an entirely different attitude and immediately the chaplain was impressed. The man had turned his back on him at first, but now he looked over his shoulder, and as the story went on he turned his face and listened intently, and finally, when the chaplain got through, the man said, "Boss, that is great; could I hear that again?" The chaplain said to himself, "There, you see, it is just a question of knowing how to reach them." And so he read the story again, and if possible got more rapt attention than before; in fact, before he had concluded, the prisoner had drawn his stool a little closer. When he got through, he said: "Boss, I do not want to impose upon you. Could I hear that just once again?" The chaplain said: "My poor fellow, I understand now; you have never been approached in the proper way before, but it is a wonderful story, isn't it?" The prisoner replied: "Ah, yes, sir. The story is good enough as far as she goes, but," he said, "I have been in stir now for years and years, and I ain't had a whiff of such good old Scotch for at least seven years." So the spirit in which the response came was perhaps just a little different from that upon which the narrator had depended, and we may reasonably conclude that in those stories told to the hon. member for Southeast Grey the prisoner did not have in mind exactly what she thought he was trying to convey. Therefore I do not think this committee need worry very long about the extent to which the stories, the would-be affidavits, or things of that kind have established anything of which this committee must take serious notice.

I said that it was my experience to do as was done by the hon. member. I visited the Kingston penitentiary and went through that institution from cellar to garret as she did. I must confess that I found something that I think is a very serious deficiency there, and that I intend to speak of frankly in this chamber. But before I pass on, let me deal first of all very briefly with the suggestion that conditions create riots. It has been said in the first place that there have been serious riots induced in regard to the food supply. That has not been the situation in Kingston. When I say that to the committee, I am dealing not with reports of prison superintendents, not with reports of what I learned by an unannounced visit to that institution, but with what I have learned from prisoners who have been discharged and who, having been discharged, have come to me for help because they knew they would be received in a kindly spirit and their confidences would not be abused. One point that has been emphatically stated by every man that I have ever come across who has been in that unfortunate position, has been that those people have not suffered

through any deficiency in the food supplied to them. Hon. members may think that is not a very important matter, but I have under my hand the report of the commissioner who investigated the Dartmouth prison riot in 1932, and without taking up in dealing with that matter more time than I can spare, and referring only to pages 18 and 19 of that report, I notice that the terrible disturbances and the fire which caused the loss of many lives were due entirely to complaints about the food supply. Therefore those matters may very well of themselves be a cause for riotings, demonstrations and fires of which the hon. member for Southeast Grey has spoken. But at least they did not exist in Kingston penitentiary.

One need not waste time on the question of cleanliness. One visit to the institution and an observation of conditions there as invited by the Minister of Justice not once but twice this afternoon, would convince anyone interested as to what the situation was in that respect.

The hon. member for Southeast Grey has said that the riots in I think it was the fall of 1932—and they were serious; they came almost on top of the appointment of General Ormond—were occasioned by the prohibition of softball playing. I want to assure hon. members that to my knowledge that is true. When I visited Kingston penitentiary last October, I observed that the inmates were playing ball of various kinds, but for some reason or other they were prohibited from playing softball. The men who, having been discharged from Kingston penitentiary, have come to me from time to time after their experience there, have told me in a way there is not any reason to doubt, that was what provoked the riot which occurred. In that connection we might very well adopt the system that has been inaugurated by Warden Lawes of Sing Sing penitentiary. With twenty-five hundred men in that institution he has established this system and he never deviates from it: men are in prison because of serious offences committed against the law; they are not in prison as inmates of a club, but they may have their condition much ameliorated providing they show themselves worthy. In Sing Sing they have a football team, a band, a baseball team; they have even flower gardens that the men tend, with the idea that it is much better to have a man out digging in a garden than to have him thinking black thoughts while locked up in a cell. Personally I believe that is right. Those are the conditions there and they might well be adopted in this country; that is, that as long as the conduct of the various individuals who comprise the inmates is beyond reproach or complaint, they are to be accorded all those privileges, and just as soon as they show themselves unworthy of them, those privileges will be withdrawn. The great trouble about that Kingston outbreak in 1932 was the fact that the inmates of Kingston penitentiary came to regard what had been accorded to them as a privilege, as an inalienable right, and when it was taken away from them, they sought by violence to assert that right again. That is not conjecture; that is not anybody's affidavit; that is what I have from the mouth of man after man who was there and who knows conditions in a way that cannot be disputed.

As regards punishment, I have never heard that any punishment, corporal or otherwise, has ever induced revolt. I am one of those who do not believe in the efficacy of flogging; I do not believe in it because I think it has an extremely brutalizing effect. I do not think you will ever improve the lot of men incarcerated in prison by flogging them on slight provocation like a lot of beasts. I do not believe in lashes that are ordered to be inflicted on men convicted of crimes of violence; I think there are other and better ways of dealing with them. But I do believe that you should not do away entirely with the possibility of corporal punishment, because there are certain men who can be reached in no other way. It is a matter of internal administration, not something that you can make a matter of general policy.

There has been a great deal written in the public press, perhaps not quite correctly, about what has been called "the hole." The Minister of Justice described it this afternoon. I went through it. Do you know what it is? There is a small corridor, lighted by an electric light opposite each cell. The place is like quarters that a janitor would occupy in a good apartment building. But it has those cells on one side. It is true that if a man is put inside one of those cells and yells and howls and makes an infernal nuisance of himself, the door is shut on him. Well, if he wants to act like a baby why not treat him like a baby? Little Willie goes to work and raises cain around the house, his mother spanks him and puts him in the cupboard and says, "You will come out when you are a good boy." It is nothing more than that as far as the hole is concerned. It is clean, sanitary and properly looked after, and unless the warden was guilty of untruth to me, and I do not believe he was, here is what happens: If a man is recalcitrant and refuses to conform to any rules or any discipline, he is first put into a ward, clean, sanitary, well

lighted, upstairs. If he persists and will not heed what is said to him after he has been confined there for a certain time, he is taken downstairs. The only thing I would quarrel with after that is that he might be paddled, and perhaps paddled too heavily. My hon. friend from Kingston City showed me not so very long ago in a room of this house what he said was a paddle that had been used at Kingston penitentiary, or rather a duplicate of it which had been obtained, I understand, at the time of the trials for rioting. I would say without hesitation that if that instrument was ever used it was a relic of barbarism that would shame our modern civilization. But I am told by the warden, upon whom I descended without warning, that that is not what is used nowadays in Kingston, whatever may have been used in times gone by. If his statement was true, and I see no reason to disbelieve it, the punishment that is administered, however we may shrink from the necessity for corporal punishment at all, is perhaps not unreasonable under all the conditions.

After all, the greatest punishment that can be inflicted on a human being is loss of liberty. The greatest punishment that can be inflicted even on a bird or animal is close confinement. I do feel with all the sincerity of which I am capable, that further consideration should be given to the plight of those who are deprived of liberty under those conditions, because that is what is calculated to make them suffer most of all. The Minister of Justice pointed out this afternoon that there is already under way a movement, to which he proposes to give effect, to establish in the penitentiaries of this country what is known as the Borstal system. The hon. member for East Toronto (Mr. Church) I think did not get it quite correctly when something was said about sending someone abroad, to study this system. The purpose of that, I understand, is merely in regard to the details which might be effectively followed in carrying out the plan. Hon. members should understand that the Borstal system is not the be-all and end-all in dealing with the criminal class; it is a step in the right direction, but only a step. The ideal to be sought is to find a means of dealing with the criminal, young or old, as an individual. Just so far as we fall short of that, so far we fail of attaining what should be our ultimate aim.

My time is short and I must not encroach, but let me quote once again from an official report, that of the commissioners of prisons in England for the year 1932. Lest it be suggested that I am quoting from one that is out of date, let me say that this was brought before the House of Commons in England only in 1934. At page 42 of that report the case is dealt with of an unfortunate young girl who was sentenced to a period of detention in a Borstal institution for breaking her recognizances. She had been twice convicted of theft and once for wandering. She left school at the age of fourteen and had reached the sixth standard, went into domestic service, but left many situations and was never employed for more than a few weeks at a time. She was totally unreliable and untruthful, and the despair of all who tried to assist her. The first theft, of a purse and gold ring, occurred when she was fourteen years old. She again stole a purse when fifteen years old and was sent to a reformatory, and at twenty attempted suicide. I will not take time to pursue the details further, but the point I desire to lay before the committee is that while the setting up of the Borstal system is desirable, we must not then sit down and pat ourselves on the back and think we have solved the problem. No, because it is an individual problem and is going to need all the careful consideration we can devote to it.

In the few remaining moments available to me, let me make one suggestion that I hope is really constructive and that may be of assistance in solving the problem that faces us every time we look at one of our penal institutions. When I visited Kingston penitentiary in October last, I went over the place from cellar to garret. After the most careful investigation it was in my power to make of the premises and of the condition of those incarcerated there, I was told by the warden, "Now you have seen it all." I said, "Oh, no; you cannot be right. I have been in the workshop of the oculist; I have been in the chemical laboratory; I have been in the operating room; I have been in the hospital; but what do you do for the sick mind?" He said, "What do you mean?" I said, "Where is your psychiatric ward?" He said, "We have none." Mr. Chairman, if there is one thing more than another that is needed for Kingston penitentiary and every penitentiary in this country, it is a psychiatric ward.

Mr. ROSS: Hear, hear.

Mr. BELL (Hamilton): There is no question about it; experience has shown it. I was shocked when I was told that any time it was suspected that a man required psychiatric treatment, they had to get a psychiatrist from down town to examine him.

For what length of time? For half an hour, and then never see him again. What good can that do? In Sing Sing prison, where they have 2,500 convicts, they have three qualified psychiatrists and three well qualified assistants, but in Kingston with 1,000 convicts we have not one. Surely that condition ought to be remedied; surely it should not be allowed to continue much longer. Is it a fact that there is no real necessity for it? Well, I hope hon. members will listen to the reference I am about to give. In The Lawbreaker, by the Calverts, those people who have devoted their lives to the study of this very problem in England, I find this, and I hope the committee will listen to it:

> During the ten years 1921-1931 no less than 2,625 persons after being sent to prison on committal were found by the medical officers to be certifiable—

That means certified lunatics.

> —under the lunacy or mental deficiency acts, and during the same period 698 persons received into prison on conviction were subsequently certified in prison under the mental deficiency acts.

Why, it ought to be a matter of common sense to us, even without the statistics, that the vast majority of those unfortunates who go back to the penitentiary time and again, who on being let out have but a short time until they are recommitted to those penal institutions in which they have served many dreary hours and many dreary years, go back for one reason only. They do not go back of their own volition; they do not go back because they are anxious again to commit crime and to return to those miseries of which we have heard; they go back because they are unable to avoid it.

Will anyone say, after listening to those experiences in penal institutions to which I have referred, that something might not be done for those men and women that would give them a chance? Just because my hon. friend from Southeast Grey has been unfortunate enough to have been imposed upon by two people is she going to give up her faith in the criminal class? Is any person who wants to observe the real decencies and obligations of modern society going to say that any man or any woman is hopelessly lost before we have exerted the last possible effort that can be exerted on his or her behalf? That does not rest upon incarceration for years; it does not rest upon anything except the character, the brains and the disposition of the individual, which may be reached no matter how long the time of bitter disappointment or how long the time of lawbreaking they have endured. So I say as my parting word, Mr. Chairman, that regardless of what other necessities may present themselves to the government; regardless of what difficulties there may be in the way of financing the needs of our prisons, we should not deprive ourselves of psychiatric aid in redeeming some of those people while they still have a chance.

There is one other matter on which I want to say a word before I sit down. It has become our custom in this house, a custom to which I have yielded together with almost everyone else, to say, "Well, this might be for the better, but why did you not do it in the past five years?" Then someone else says, "Why did you not do it in the previous nine years?" And so it goes on. Can we not eliminate that just for once? Can we not say that the question now under consideration is a question of right or wrong, regardless of whether it has escaped the notice of hon. gentlemen in this house or out of it until the present day and hour? Can we not say that we recognize that the lack of that mental help for these mentally sick people should be remedied in order to give them a chance to go forward to something better, even if they are only convicts in a penal institution?

Miss MACPHAIL: I appreciate more than I can say the very earnest plea just made by the hon. member for West Hamilton (Mr. Bell). I am going to make just one reference to my visit to the Kingston and St. Vincent de Paul penitentiaries. One situation which I do feel should not be allowed to continue is that the sick and insane are in the same hospital separated only by the wall against which the heads of the beds stand. There seemed to be quite a number of really sick persons. As we went along at St. Vincent de Paul the warden indicated one man who had been operated on just the day before, and anyone who has gone through the sufferings of the day following a serious operation knows how difficult it is. Right near that man, out of his sight but just beyond the wall, was an insane man who was calling out loudly. The insane man could not help it, of course, but it seemed to me very difficult for the sick. In both institutions there were quite a number of insane persons. I asked Warden Piuze about it, and he said it always seemed difficult to get them moved off rapidly. First there was a period during which the officials were not sure whether or not the inmates were insane, and then it seemed quite a while from the time they became sure until the inmates were

removed. So I do feel that if out of all this some good may result, any suffering I have endured is as nothing at all.

I am going to argue for the appointment of a royal commission to investigate the whole penal system, to study and report on the cause and cure of crime. Before going on with that, however, I must say that I feel that if we are to discuss modern penology intelligently we must know something of the work of Thomas Mott Osborne, the founder of the new penology. Anything that Lawes has been able to do as warden of Sing Sing, or anything that Doctor Leo Palmer, who made such a marvellous address before the Kiwanis club of Kingston on August 7, 1934, and who is the superintendent of Walkill state prison at Wallkill, New York, and other men who are carrying out the ideas of new penology, have been able to do has come as a result of the tremendous service rendered by Thomas Mott Osborne, who died feeling that his life had been wasted and who was not only prosecuted but who was also persecuted because of his attitude towards criminals. I should like to give a brief outline of what Osborne stood for. He was the first to propound the idea that there is no such thing as a criminal type. He argued that since most prisoners are to return to society the chief objective of prisons should be to prepare them for that return. He contended that only by treating convicts as men, insted of as beasts, can an attitude of cooperation on the part of the prisoners be cultivated, and he demonstrated in actual practice at Auburn penitentiary, at Sing Sing penitentiary and at Portsmouth naval prison that the granting of responsibility to inmates after they had shown their capacity to appreciate it was the best insurance for maintaining a sense of responsibility after their release. His philosophy could be summed up in these words: No man can reform another. What we can do is give him a chance to reform himself. After Osborne's death, tribute was paid to him, all over the United States of America for the tremendous service he rendered in the field of penology.

I feel that we ought to have a royal commission in order that we may be better able to protect the innocent members of society against embittered and revengeful men when they come out of prison. I could not help but wonder how the superintendent of penitentiaries in Canada could have become a noted penologist in such a short time. After the riots and fires and continual disturbances—I gave a list this afternoon, a most imposing array—three men in key positions who had no knowledge of penology, no knowledge of psychology, or so far as I know of the social sciences, were appointed. These men were the superintendent, one of the chief inspectors, and the warden at Kingston penitentiary. I was glad to hear the minister state this afternoon that the number of people in penitentiaries is lower. Certainly however it is very much greater than it was ten years ago. I believe the figures indicate that on March 31, 1934, we had within our Canadian penitentiaries 2,373 inmates, while in April, 1933, we had 4,591. Our penitentiaries cost about $2,699,000.

I believe there is no one in this house who would question the integrity and social standing of a man like the Hon. W. F. Nickle. Speaking at Montreal on October 16, 1933, Mr. Nickle made a very strenuous speech in favour of radical changes in our penal system. His observations are reported in the Globe of October 17, 1933, from which I am quoting. The headings are:

> Prison cruelty shames Canada. Stripped of rights, convict's fate left to whims of guards. Grim tales of suffering within Portsmouth's walls recounted by Ontario's former Attorney General in heartfelt protest at Montreal.

Then, one or two sentences from his observations:

> Branding the penal system of Canada under present administration as a disgrace to the nation, and a regime that should be swept out of existence, Hon. W. F. Nickle, K.C., former Attorney General for Ontario, and parliamentarian of long experience, unfolded before the Young Men's Canadian Club of Montreal to-night some of the facts in connection with penitentiary life that have come within his personal knowledge. He made it clear that the convict is deprived of even the few and minimum rights that society has conceded to the man behind the bars.

This is a long article, and I shall not take time to quote the whole of it. May I, however, read the following:

> Mr. Nickle scouted the idea that any political motives were behind the movement to reform penitentiary conditions. He deprecated as unworthy of notice the fallacious jibes, "sob-sisters" and "sentimentalists," which were levelled against those seeking prison reform, by those who did not see eye-to-eye with Mr. Nickle and other Canadians who saw the need for improvement.

Then, quoting his words:

> Knowing Right Hon. R. B. Bennett and Hon. Hugh Guthrie as I do, I know that if they saw the situation as I do, they would see their duty, as humanitarians, not merely to accept my word for it, or the word of the convicts, but to accept the spirit of the nation that cries out for an improvement in this regard,

and appoint a commission to investigate. I haven't much faith in parliamentary commissions—they consist of busy men who have inadequate opportunities to go into the thing thoroughly.

He made one other statement in his speech which to me was of particular interest, because I had tried to check up on the point during my last visit. Last year in this chamber I asked a question in the same connection. I quote:

Sometimes convicts were strapped—

That is not what I want, but undoubtedly they were.

The hospital cells were the occasion for considerable complaint, too. The dishes the men ate from were washed in the baths in which hospitalized convicts washed, and, although it was stated that no cases of disease had been communicated, the situation was, nevertheless, abhorrent to the majority of them.

I did take particular notice of the hospital at Kingston penitentiary, and I felt that the good offices of the hon. member for Kingston City were clearly discernible in the excellence of the hospital in many regards. It is certainly a very much better hospital than is to be found at St. Vincent de Paul, and I attribute the difference to the work of the hon. member I have just mentioned. I must say however that I could not find anywhere the place where they washed dishes, other than in the bathtub in which patients suffering from all sorts of diseases, including those suffering from syphilis, bathed. I would like to know if this heinous method of dish washing has been discontinued. Up until the very last reports I received—I believe they were authentic, and they were not from prisoners—it was still in practice.

In the editorial column on the front page of the Toronto Saturday Night for March 30, 1935, there is an editorial dealing with this subject. This is a very excellent paper, one of high standard and considered to be more or less conservative, from a political standpoint. Its views, which I should like to bring before the house are as follows:

As we have never entertained the view that the indiscipline in the Portsmouth penitentiary was due to the presence of some half-score of members of the communist party within its walls, we are perhaps less surprised than some of our contemporaries that that indiscipline is continuing although the communists have departed.

As I said this afternoon I read through again last night the report of General Ormond, and I find that upon this occasion he does not mention communists. Last year the report reeked with communists; communists, according to him, were the cause of everything. There are no communists in it now. He makes the statement which I shall now quote:

As stated elsewhere the conduct of the convicts during the year has been fairly good and can be looked upon as satisfactory in view of the unrest created by the publicity given to penitentiary affairs.

It is going to be tough on the department if in this coming year there are no communists, and no publicity to blame. Then, to go on with the editorial in the Toronto Saturday Night:

As a matter of fact we are not surprised at all. The conditions which provoked the outbreaks of the last two years, namely gross overcrowding in the penitentiaries and an attitude of smug satisfaction—

I am glad somebody has said it just as I feel it.

—and immovable conservatism throughout the entire organization, are continuing exactly as they were; and the official attitude has become more irritating than ever because there was for a few weeks a hope—due to an announcement by the government that the Borstal system would be examined and reported on with a view to its adoption—that some steps towards prison reform would be taken immediately.

Then, the last sentence:

It is time the Canadian penitentiary system was thoroughly overhauled with the aid of expert advice and criticism from countries where penology has been studied with greater exactitude than here.

That will be difficult, since the minister told us that Canada has the best penal system in the world. A few days ago the following appeared as an editorial in the Ottawa Citizen:

One thing is certain, it is that Kingston penitentiary needs to be investigated to see if it is conducted in accordance with modern standards. There are at present grave doubts that it is.

I need not, I think, quote the Toronto Globe because for a long time it has conducted a campaign for penal reform. No matter what other people may think of it I am convinced that the Globe is sincerely anxious to bring about real changes in our penal system. From the issue of March 20, 1935, I will read only one sentence:

The rights of parliament to full information about penitentiary happenings have been accorded scant respect by the responsible minister in the past. Even in the last weeks before dissolution there can be no excuse for relaxing of effort to clear up the prison situation so far as it is possible to wrench the facts from quibbling administrators.

Last year Major W. M. Nickle, in an interview with the Toronto Globe on Wednesday June 27, said:

What is needed at Kingston penitentiary is reform, not repression. An inmate should be taught a trade or calling, so that on discharge he can make an honest living with his fellow men and not be, as is now the case, on discharge, as many years backward as the length of his term.

I have noticed in two or three papers and letters received from prominent people who are interested in this subject that they have compared it with the practice of medicine, indicating how far behind medical science is the study of penology. I now look again at the speech of Doctor Leo J. Palmer, superintendent of the state prison at Wallkill, New York, who speaking in Kingston last year, said:

Our modern medicine is the product of scientific investigation without which we would still be attempting to cure our sick and insane by trying to drive out evil spirits. We know to-day that there are as many causes of crime as there are criminals and are forced to the conclusion that as there is no single cause of crime, there can be no single cure for the criminal.

He is clearer in another sentence:

Whereas the old method sought to make the punishment fit the crime, the new strives to make the treatment suit the individual.

I received a very interesting letter from a prominent medical man in Hamilton, the city of the hon. member who has just taken his seat. This doctor compares our treatment of criminals with our treatment of the insane and sick, and goes on to show that the two treatments are not alike. In criminal cases the man who hands out the treatment, or the sentence, does not follow it through to see what effect it will have. The criminal is simply turned over to people who are not trained to carry out the orders given. In his opinion our present system is in need of a complete overhauling.

I should like to make some suggestions which I think are constructive. Since so much controversy has taken place on this subject I submit that an investigation should be held with the idea of finding methods to improve the treatment of crime. I have talked this matter over with many people who have had a good deal to do with prisoners, and they are all of the opinion that the place where the psychiatrist should begin his work is the court room. There should be a psychiatrist attached to every court in order that the sentence given, particularly to youthful offenders, should be one likely to be of benefit while at the same time protecting society. A case sheet, upon which is entered full information as to the environment and hereditary influences affecting the prisoner, should accompany the man to the penitentiary so that the warden may have some idea of the type of prisoner with which he was dealing. I agree with the hon. member for West Hamilton (Mr. Bell), who has spoken so well on this subject, that there should be a trained psychiatrist attached to every penitentiary. If that cannot be afforded at the moment, there should be two appointed, one for the western penitentiaries and one for the eastern.

There should be a classification of prisoners. I realize that this is not an easy thing to do and I do not know enough about penology to say just how they should be classified. However, with all due deference to some of the high officers in the penitentiary, I think I know about as much on the subject as they do.

The prisoners should be trained to do some work, such as carpentry, blacksmithing and so on, so that when they come out of penitentiary they will be able to find a job. I should like to quote from page 24 of General Ormond's report as follows:

Penitentiaries treat the convicts as individuals who will eventually be returned to society. The training in the penitentiary will be such that the convict should, without difficulty, upon his release adjust himself to the conventions accepted by the citizens of Canada.

The fact is that these men have great difficulty in adjusting themselves to conditions and in finding anything to do. While in the penitentiary these men work only seven hours per day, leaving seventeen hours to be spent in their cells. I believe the cells measure something like four by six feet or four by eight feet, although there is a whole tier of cells in St. Vincent de Paul which measure only three and a half by six feet. Seventeen hours is a long time to be shut in a cell and nothing is to be gained by leaving a man's mind vacant so that it can be filled with all that is bad. It would be much better to have some kind of cell activities in which the man could interest himself. I visited a small village some distance from Kingston and some of the people had friends who were convicts in Kingston. One of these convicts had made a watch chain out of horsehair taken from the team he was driving on the farm. This was a remarkable piece of work, but it was the opinion of these people that if the man who made it had been found out he would have been put in the punishment cell. I do not know for certain that that is true, but I judge it is. Everybody does not enjoy reading, and in fact many of the convicts are poorly educated and never will be readers. Would it not be

possible under the regulations to have a lecture or an evening of music once a month which would be calculated to elevate the minds of the convicts? I do not think this is being done in most of the penitentiaries, although I understand it is at St. Vincent de Paul and is permissible under the regulations.

This whole subject should be approached scientifically. It is true that there should be punishment, but the main object in view should be the reformation of the man. I think it is most important that the person in charge of a penitentiary should be trained in penology and know something about psychology and the related social sciences. I am inclined to agree with the hon. member for East Toronto who said he was rather against the appointment of military men to these positions. A military man might be just the person for the position of superintendent, but on the other hand the qualities which make him an excellent military man are likely to militate against his effective work with prisoners. Wardens should be men of education and culture, the sort of men whom all the convicts in their secret hearts would like to be. A warden should also possess the love of humanity and be anxious to help those placed in his charge. Reading the life of Thomas Mott Osborne and the book written by Warden Lawes of Sing Sing convinces one that men of the right type affect tremendously the lives of the convicts.

I think there should be training schools for the guards. Wardens are rather to be pitied by having a number of green men appointed as guards. All that a warden can do is to put a new man on with a trained guard, the new man picking things up as he goes along. I think there should be training schools for the guards of our Canadian penitentiaries. It is not necessary that the courses should be continuous but these schools might meet at certain definite times, and surely it is not asking anyone too much to expect that he shall put in six months to qualify himself to be a guard. I believe that the higher the standard set for guards and petty officials the sooner we shall have better results. Again—and this is going a good deal further than we have yet gone—I think we ought to begin an experiment in self-government. What the minister said to-day indicates possibly a beginning in that direction—a segregation of better behaved prisoners who are allowed to meet in a room and have their meals together. It is only as the prisoners begin to show a sense of responsibility that they will be fit to enter society again. Certainly the insane should not be allowed to mingle with the sane.

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I would remind the minister that many years ago I asked also that prisoners should be given payment. It must be about eight years since I made this suggestion and the first year the house thought it was a peculiar idea, but the second year the resolution carried. I think it was in 1926 it carried, the year when all sorts of peculiar ideas seemed to be quite all right. It took considerable time before it was carried into practice however, and I certainly did not think that it would be the complicated business it has turned out to be. I tried to follow the minister this afternoon but I lost the connection between the five cent day and the ten cent day and paying and not paying for tobacco. I am not so sure that the prisoners would not have been better off if they had not been given the five cents and had not been asked to pay for their tobacco.

The last point, which I suggest is a very important one, is the necessity for simplifying the rules. I do not want to amuse the house unduly, but after a good deal of trouble I obtained the book of rules from which I wish to quote a few examples. There are 724 rules.

An hon. MEMBER: Who issued it?

Miss MACPHAIL: This was issued by Superintendent Ormond. I understand that he sent out the next year 230 circulars. Some of them confirmed and some contradicted the rules, and if he has been as prolific in 1934 there must be 1,000 rules by now—1,000 rules which someone is supposed to have read and to know.

Mr. LAPOINTE: One would have to have a good memory for that.

Miss MACPHAIL: Yes. I will read two or three of the rules. For instance, it takes fifteen and a half pages to tell the medical officer how to examine a guard when he is applying for the position, and this is supposed to be addressed to a doctor by a layman. Section 7, page 118, reads:

7. Position of applicant.—When not required to approach the applicant for special objects, the medical officer should always take his place at a distance of about six feet from him. The applicant should be placed so that the light will fall upon him.

Then we come to the examination of the head and neck—I like that one.

14. The head and neck—The examination of the head and neck will be made from above downwards. The medical officer will note the intelligence, character of voice and power of hearing of the applicant by his replies to the questions put to him. The following are the directions:

Have you had any blows or cuts on the head?
Are you subject to fits of any kind?
He examines the scalp.

He examines the ears.
He examines the nostrils.
He examines the mouth, teeth, palate and fauces and then tells the applicant to say loudly, "Who comes there?"
He examines the neck.

It is as minute as that for all parts of the body and, as I say, it takes fifteen and a half pages to tell all about it. It seems to me that there is one officer who does not need any qualifications, and that is the medical officer; all he needs is the book of rules. Let me quote now a few other rules:

632. When typewriters or adding machines are in need of repair, the warden shall obtain from the local agent a detailed estimate of the cost of repair, and shall submit such estimate to the superintendent on a stationery requisition.
633. In the case of repairs costing not more than one dollar, the warden may instruct the local agent to proceed with the same, and shall procure an invoice from him and forward the same to the superintendent, covered by a stationery requisition.
634. Typewriter and adding machine repairs shall not be attempted in the machine shops of the penitentiary.
650. The chimneys of residences are to be swept once a year, or oftener, if required. This shall include chimneys from bake ovens.
651. Wherever possible, chimneys are to be swept from the outside of the building, by convict labour. After the chimney has been swept, the soot is to be removed from the basement or clean-out by the tenant:

Mr. JACOBS: Is it stated that the convict must return to his cell after that is done?

Miss MACPHAIL: I do not see anything about that. Let me read something in regard to horses:

576. If a horse becomes a casualty, and requires to be laid up or receive veterinary treatment, the necessary entries shall be made on form P.B. 17 and the form shall be forwarded to the office of the superitendent, in order that such entries may be made in the duplicate form held there.
577. When it becomes necessary or desirable to cast or sell a horse, a full report shall be forwarded to the superintendent, with recommendations.
578. If it becomes necessary to destroy a horse in an emergency, a full report shall be forwarded, accompanied by the report and certificate of a veterinary officer.

Then it leaves two blanks, 579 and 580. Were these left so that a full report might be made in regard to a team of Percheron horses bought from an M.P.? The price is very good, I am told, around $700. Anyone who goes through these rules, of which there must be 1,000 altogether, will understand how impossible it is for the guards to grasp them. When Brigadier General Hughes was superintendent the warden was in command of the institution but that is no longer true; he has scarcely any command at all.

Dr. Leo Palmer, addressing the Kiwanis club with regard to the rules in his institution, said:

It might be of interest to note at this point that the institution functions with the fewest possible rules. It is true that we have provided certain daily routines. Insistence on punctuality is maintained but only those regulations are enforced that make for a decently well-organized community.

So long as we have such a multiplicity of rules there must be trouble, because no one can become acquainted with them.

Let me now discuss for a moment the important question of parole. This whole subject should be investigated by competent people, and I should like to see a man like Mr. Nickle, who was on the investigation before, and others equally well qualified, carry out a careful inquiry into this subject. There is one parole officer for the whole dominion, and he is in the department. I am sure he does his best, but the people who know most about the prisoners in the different penitentiaries can only make recommendations to the parole officer—he is called remission officer, I think. But any authorities on penology that I have ever read and any of the commissions ever held in Canada—and we have had two excellent ones, one in 1914 and the other in 1921—in both cases urged that there be a parole board for each penitentiary and that parole board consist not of one person but of several.

There is another subject I wish to discuss, although I do not know how the committee will feel about it, and that is the chaplains in the penitentiary. I understand they are really civil servants; they are paid by the dominion government. I am not sure what the salary is; some use the figure $2,500 I am not sure as to the amount. I was just wondering whether the church, whether Catholic or Protestant, should not be responsible for the chaplains, because then they would be free in a way they cannot be if they are paid directly by the government. If we send missionaries all over the world to tell people how to live, I do not see why on the same principle the churches themselves should not be responsible for the chaplains in the penitentiaries.

I should like to refer for a moment to the change there has been in regard to crime and its punishment. When you go back in English history—and you do not have to go back very far—you find hundreds of crimes for which the death penalty was the punishment. People were boiled in oil, hanged, drawn and quartered, and many other forms of punishment were inflicted to try to deter criminals, but these punishments did not have

the intended effect. Under modern civilization we have got away from that sort of thing. Now we know cruelty does not bring reform. I give the committee the words of Thomas Mott Osborne, who is better qualified to judge than anyone else who has lived on this continent. He says:

> When a man, treated like a beast, snarls and bites, you say, "This is the conduct of an abnormal creature—a criminal." When a prisoner, treated like a man, nobly responds, you cry, "A miracle!"
> What folly! Both these things are as natural as two and two making four.

I think that is true and should be the basis of the new penology in Canada; I think it should be instituted without delay.

Mr. REID: I want to change the discussion somewhat in order to direct the attention of the minister to some cases which I believe should be brought to his attention. These have occurred in the city of New Westminster. They affect three, if not four returned men, and to my mind at least three of them are serious enough I think to merit further investigation on the part of the minister. Before I finish I am going to ask him, if he appoints a royal commission, that these cases be also considered by it. The three of them, while they affect three different parties, involve more or less the same complaint in regard to dismissal. These men had been engaged as guards or clerks, and had been changed from clerks to prison guards, then changed back again to clerks and later discharged from the penitentiary. The minister will I know take the attitude that the warden is in complete control of the penitentiary, as he should be, and that all men in that institution should be under his direct orders and do exactly as they are told. Some men in certain positions in life are a little more conscientious perhaps than are others, and the men about whom I am speaking have in my opinion been conscientious in regard to carrying out their duties. In carrying on clerical work it was their duty to censor letters going out from the convicts to their friends, and I believe that it was due to complaints which they made regarding the disobeying of rules which brought them under the displeasure of the warden who was in the penitentiary at that time and who lately has been transferred from New Westminster to Prince Albert penitentiary.

These men have a wonderful war record. After I sit down I would like the minister, when he answers my appeals, to tell the committee how many returned men have been employed since the civil service regulations have been done away with and since the hiring of officials or guards has been placed under the jurisdiction of the warden. I ask that because much complaint has been heard since one of the annual reports appeared in which it was stated that ex-service men who had been privates were not as satisfactory as other classes might be on account of the fact, so the report stated, that those men had perhaps reached the height of their efficiency. That slur has travelled from one end of the country to the other, and I have met it particularly in my constituency where it is stated on fairly good authority that since that time preference has been given to those who have not seen active service. I have under my hand a list of many of the men who have been engaged, but perhaps the minister has fuller information regarding that and will be able to answer me when I resume my seat.

The first man I want to deal with is one Pattinson, whose complaint is that because he took the part of a guard named Drage who was dismissed, he came under the displeasure of the warden, fault was found with him and he was fired from the penitentiary. This man was thirty-eight years of age. Here is his army record. He held a regular commission as a captain in His Majesty's army in India. He was temporary major while employed as section administrative commandant at Kalabagh, India. He was also staff captain, administrative staff, and camp commandant with two camps under his command. For these services he was awarded the Order of the British Empire, Military. While serving in France with the Imperials, Notts and Derby regiment, as intelligence officer he gained the Military Cross. He received the following medals apart from decorations: General Service Victory, Northwest Frontier, India, with two clasps. I am putting all these on the record and drawing this to the attention of the minister to show the type of this man Pattinson, who has been let out.

He states that he joined the penitentiary staff on February 9, 1933; that he worked in various posts; that he had control of convicts and that for one day he acted steward. On April 9, 1934, at Colonel Cooper's request, he says that he went to the censor's office. He states that of conditions in the administrative building, re staff, he would not speak at present. He says further that while there he refused to be a party to irregular correspondence passing in and out of the prison and to obey a verbal order delivered to him by then temporary

second grade clerk Cummings, since made senior clerk by Warden Cooper, purporting to come from Warden Cooper, to obey which he would have had to disobey a written order by the superintendent. He says that he had a letter written requesting the order in writing, but was removed from the office during that week. During his last week there, Cooper had placed in charge of this office a man named Staughton, who, Pattinson understood, had failed to measure up to medical requirements. From this time on he states that he was penalized by Cooper, being permitted to do only tower and stand duty. I need not take up the time of the committee with further details with regard to this man, and also as I want to deal with the other two men; but that which I have now read is enough to show the type of man who was holding that position and also to show that it was on account of the fact that he refused to disobey a written order issued by the superintendent that he fell under the displeasure of the warden at the penitentiary.

The other cases are in connection with two men named Drage and Neild. Those men make exactly the same complaint. In the case of Drage, it will be said that he used a billy on one of the convicts. Two other guards were in charge of that convict, and Drage came to their assistance. He states that investigation proved that the convict was not hurt. He claims that he was acting under the rules of the penitentiary in what he did, but as he had been complaining about the evasion of rules by the warden, he feels that he was discriminated against and let out on that account.

The other case is that of Neild, who was in the penitentiary quite a number of years. He was in the same department, and endeavouring to carry on as provided by the rules. When he found that letters were not being censored he thought it his duty to censor them, but when he endeavoured to do so, he fell foul of the warden. That is his statement to me. It would take too long to go into the whole history of these cases, but here are three men who have fine records of war service, who it would seem were conscientious in doing their duty and endeavouring to obey the rules, especially the rules as to correspondence going out from the convicts and in regard to visitors coming to see the convicts. In the course of their duties, believing they should carry out these rules, they complained, I understand, either to the superintendent or to the warden, and very soon they found themselves under the displeasure of the warden and in course of time were let out. Not only that, but they are discriminated against because, in endeavouring to find employment elsewhere, they cannot obtain from the warden the references they are asked for.

In the circumstances they are prevented from obtaining any position of trust at any rate by reason of the fact that no recommendation will be given. Drage says that during his time friends were allowed to visit prisoners before they were properly investigated; he claimed that they were violating section 107 of the regulations. He drew the attention of the warden to the fact that letters were coming in which should not come, and he would not allow certain letters to leave which were being sent by the convicts. He also claims that fights had occurred there and no report was made of them and no entry made in the books. One of the most serious charges he makes is in connection with shortages of convicts' money and the loss of stamps. He declares that an investigation into the loss of stamps would show that the books have been altered to cover the shortages. Drage, who has a splendid war record, claims also that he was entitled to twenty-seven days' pay because when he was suspended he was told not to seek work, that he was still under the jurisdiction of the warden, and so was kept in suspense for almost a month before being told that he was discharged. One man who was brought there from the city of Vancouver and given a position was named Matthews. Drage claims that Matthews has now been discharged because it was found he was implicated to some extent in certain telephone calls. In my opinion, these statements are very serious. The serious part is the dismissal of three men who, in endeavouring to carry out the rules, incurred the displeasure of the warden and so lost their positions, and now find themselves unable to procure employment and of course, have a black mark against them. The man Pattinson has a very fine record. I appeal to the minister that in connection with those three men an impartial investigation be held. The whole case I understand has been laid before the minister and before the superintendent, who is well aware of all the circumstances. I ask the minister if he has any report regarding these cases; also how many returned men have been engaged since the civil service commission have discontinued hiring men for the penitentiaries?

Mr. GUTHRIE: I cannot give my hon. friend the figures; I have not them before me, as I did not anticipate being asked the

question. But I can let him have the exact number to-morrow I think. My information is that none but returned men have been engaged when returned men were available. I shall get an exact statement and give it to my hon. friend.

In regard to Pattinson, from reading the report I am satisfied that he had an excellent military record in India. He joined the penitentiary staff in February, 1933, as a temporary guard. He knew when he came on that he was there temporarily. In the course of the last few months it became necessary to reduce the staff in that institution, and five temporary guards were let out. The warden was asked to report as to which men he would let out. He let out those who were least useful or necessary, and in his report Pattinson's name was among those of the temporary officers to be let out. He was not looked upon as a very good penitentiary official, but there is nothing against the man that I know of. The warden reports nothing against him, but says: My orders are to let out five men, and I shall have to include this man because I do not think he will qualify as a good penitentiary man. There is nothing in the record against the man's character. In fact the warden was friendly to him, befriended him on more than one occasion. I think I let my hon. friend see the report in my office a few days ago.

The second case mentioned is that of the guard Drage. Drage had been on the staff for a considerable time. The reason for letting him out was brutality to a convict. A convict, mentally deficient, had created some disturbance, and three men were conducting him to a cell. Two men had hold of him, and for some reason which is not explained in the evidence or the report Drage drew a loaded billy or club of some kind and crashed this prisoner over the head. Subsequently the man was found insane. It was for that conduct, using that bludgeon or billy, that Drage was let out of the service. It so happened that Drage and Neild and a man named Trappitt were all employed in the censor's department of the penitentiary, and they seem to have connived among themselves against the warden. The warden is the responsible officer of the penitentiary, and complaints against the warden, passed here, there and everywhere, that he was breaking regulations, came to headquarters. As soon as the attention of the headquarters staff was drawn to the irregularities with which the warden was charged, which had to do with admitting improper letters or allowing improper letters to go out, the warden was severely reprimanded, his attention was directed to the regulations, and he was informed definitely what his duties were.

Mr. MACKENZIE (Vancouver): When was that?

Mr. GUTHRIE: That was prior to this incident to which I have referred. To meet the case and make it more definite the regulations were changed and they were then drawn directly to the attention of Warden Cooper. Time went on and there was conflict between the warden and these men who were practically spying on him, undermining him while he was the man in control of the institution. One man was let out on a definite charge of unnecessary cruelty. When the reduction took place another temporary employee named Neild was let out on the recommendation of the warden, as was another member of the staff. It would be impossible to carry on an institution of this kind if the warden was not allowed to be in charge, and if his position was to be undermined in the institution of which he was the head. It was for these reasons that Trappitt and Nield were let out. I am inclined to think these people were working pretty well together. They all complained in long letters to His Excellency the Governor General, to me and to others. All the letters were written on the same typewriter and almost in the same language; probably they were all written at the same time. I am sorry their services could not be retained under the circumstances, but on the report of the warden approved by the superintendent they were released from the service.

Mr. REID: The minister states that Neild was just a temporary employee. He had been employed there since May, 1929.

Mr. GUTHRIE: Yes, we have temporary employees who have been working longer than that.

Mr. REID: That may be, but this man can produce wonderful testimonials in regard to the work he did prior to that time, and it seems strange that after he complained about the letters he should be let out as unfit and unsuited to the penitentiary. Human nature being what it is I suppose it was only natural that once complaints had been made about the warden and he had been reprimanded by headquarters, he would not have that good feeling towards the guards that otherwise he might have had. I am not going to discuss whether or not these men should have complained, but they evidently felt it their duty to carry out the rules and regulations, and

they felt that the letters going out from certain convicts and the visits these convicts were receiving were in violation of the rules. That was admitted by the superintendent, who censured the warden. Then later these men were found to be unsatisfactory, and for that reason I ask that an impartial investigation should take place. If they had been let out previously the minister might very well say that they were not suitable for the work. A man may be a temporary employee for quite a long time, but from 1929 to 1934 is a long time for a man like Neild to be working as a temporary employee without giving satisfaction. It was strange that only in 1934 was he found unsatisfactory for the job. I maintain, and I think the minister will agree, that he might have been found unfit because he made the complaint. In the case of Drage, he was employed for two and a half years. It may, as the minister says, look like collusion, but surely that would not apply in the case of Pattinson. It seems very strange that Neild, who was appointed in 1929, Drage who was appointed in 1932 and Pattinson should all get together and conspire against the administration of the penitentiary. That does not seem very reasonable to me, and I am going to ask the minister to again consider the advisability of making some further investigation. These men have not only lost their positions; they have also lost their means of livelihood, because they cannot obtain recommendations. I have letters here from Neild, who was offered a position which he could not obtain due to the fact that he could not secure a recommendation from the warden of the penitentiary. I think some further consideration should be given this matter.

I should like to know in addition how many returned men have been engaged. I do not want to put it on record in case my information is not correct, but I have a long list of non ex-service men who have been engaged. It looks as though the ex-service men have been discriminated against, and if that has happened I must take very grave objection.

Mr. MACKENZIE (Vancouver): I should like to say just a word or two. I have personal knowledge of the three cases mentioned by my hon. friend from New Westminster. I have been interviewed by these men; I have heard their stories; I have seen their evidence, some of it sworn, and after what I think was an impartial analysis of all the evidence on both sides I am absolutely convinced that there was deliberate discrimination against these men. I think the request made by my hon. friend is very reasonable indeed, as I think the minister would be the first to admit. I have a very high personal regard for the warden, but I think there should be an outside investigation into the merits or demerits of the claims made by these three men, Drage, Neild and Pattinson, and by another man whose case was not mentioned by my hon. friend, a man named Dickson, whose case I referred to the minister the other day by correspondence. I strongly urge upon the minister that he should have either the superintendent or some other outside person make an exhaustive and impartial investigation into these cases in order that absolute justice may be done these men.

Speaking in all fairness, Mr. Chairman, it seems to me that if the minister refuses the very reasonable request of the hon. member for New Westminster in connection with these cases, to my mind that creates an immediate justification for the demands that have been made by the hon. member for Southeast Grey for the appointment of a commission to conduct an investigation throughout the Dominion of Canada. Through these particular instances, of which we have some knowledge, I think there is created at least a presumption that something is radically wrong. So far as I am concerned, in connection with the cases mentioned by my hon. friend I would be quite satisfied with the promise that even the superintendent himself would go out personally and investigate the grievances of these men in order to see that justice may be done in each individual case.

Mr. GUTHRIE: I would not have any objection to showing my hon. friend the file and letting him go through it, as I have gone through it, including the fifteen-page letter they addressed to me, containing complaints against the warden. I think my hon. friend will agree that you cannot have two or three men conspiring, if I may use the word, against their superior officer and still hope for any kind of reasonable management of the institution. My hon. friend from New Westminster said Warden Cooper had been moved. The reason for his move had nothing to do with these cases. There has been a rearrangement of wardens.

Mr. REID: I did not make that inference.

Mr. GUTHRIE: Then I made a mistake. But I should like my hon. friend who last spoke to go through this file. I have gone through it and I have come to the conclusion that I should follow the recommendations made to me. I have read the evidence and

the complaints also. I will go further; I assume that some time within the next few months the superintendent himself will go to that point, and I will ask him to hold an investigation.

Mr. ROSS: This has been a rather interesting afternoon and evening so far as I am concerned. For some time I have been the sole voice asking for certain things which to-day I hear granted. I am very much interested in the dismissals; certainly I have had my good share of trouble so far as dismissals are concerned. I do not feel that I would accept even the superintendent as investigator. I believe some person outside the institution and the department should look into these dismissals, especially when hon. members who have to bear the criticism ask for action.

I am not interested in the management of the penitentiaries. I quite agree that if he has any experience the warden should run it. Our experience has been that some wardens who did not know anything about them have run penitentiaries. To-day in Kingston we have a very good man in charge, and I have plenty of confidence in him. Although he is not a military man he has given service, has had training and is now giving satisfaction.

I speak to-night with some trepidation because I have seen so many of these things hurled across at hon. members who dare open their mouths in connection with penal matters. The record of the individual prisoner is thrown at you, as though it was something of which one should be ashamed. I know of no person either in the army or out of it who at some time or another has not been deceived. I can remember when only a few months ago a man was up for trial defended by a very celebrated member of this chamber. He forsook the case, and the witnesses ran away from him because that particular counsel was disappointed in and misled as to the character of the man. So it would seem that at times we all go amiss in these matters.

For a great many years I have been interested in two matters. To-night the celebrated gentleman about whom I have been speaking, the hon. member for West Hamilton (Mr. Bell) has backed us up, and has spoken strongly and reasonably in favour of the appointment of psychiatrists. May I point out that the department is spending as much money upon temporary mental examinations as would be sufficient to pay for the maintenance of a permanent psychiatric department. I have in my locker in this building many references indicating that many examinations costing $10 each have been made. What has been the result? The result has been that we have proved many cases of lowered mentality in our institutions. What has been the disposition? Surely hon. members will not say that the removal of these mental cases from penitentiaries to provincial mental institutions, places from which they can run away, is a proper disposition. We know, however, that that has been the custom.

We have contended right along that these subnormal people should be treated specially and should be segregated. They are not ordinary mental cases, because we know they are mental criminals. Only to-day a woman came to this building to see me. Perhaps I may be pardoned if I state that I believe I am approached more often than any other member so far as penitentiary matters are concerned. This particular woman wished to speak to me about her boy, a young lad sixteen years of age, who had been sent to penitentiary for life, despite the fact that an expert alienist had expressed the opinion at the trial that the boy had the mentality of a child of eight years. Despite the evidence of the expert this boy is in gaol for life. We do not say he should not be confined, but we do urge that such cases can be treated only scientifically, and that under our present system no scientific treatment is available.

Surely after listening to the presentation of facts offered by the hon. member for West Hamilton, hon. members will be convinced that the time has arrived when this country can afford to treat scientifically these mental cases. I have spoken about this matter for a number of years. I have spoken in this chamber, and I have heard the statement made not only in this building but in my own constituency that I am a thorn in the flesh so far as the government is concerned. Let me say that I shall remain a thorn in the flesh to this or any other government until some action is taken in this matter. I believe a great deal of the difficulty could be corrected and a great deal of discontent in the institutions eliminated.

There is another point about which I should like to speak, and in connection with which in the year 1928 I presented statistics to the house. Upon that occasion the then Minister of Justice promised action. At that time I believed I had accomplished something in life. I thought that the boys, the juveniles, were going to be taken out of large institutions and placed in separate buildings. Money was granted, and if hon. members consult Hansard for 1929 they will find that the then Minister of Justice, speaking from his seat in this chamber, stated that the vote was in answer to a promise given

the hon. member for Kingston that something would be done before the end of the year. The money was then granted to buy the site and to begin building an institution for the juveniles. What happened?

Mr. POWER: It was given to the boys.

Mr. ROSS: One class of boys got it; it went to the preferred class institution. I trust the ex-Minister of Justice will not take these observations as being in the nature of a criticism. I received the promise that the juveniles would be treated in a separate institution. Eight or nine of the best farms in the county of Frontenac were purchased, and those boys might have been cared for. But the ex-Minister of Justice called it a preferred class institution.

Mr. LAPOINTE: I was removed from office before construction was completed.

Mr. ROSS: It is not completed yet. Seven years have passed since the building was begun, and I do not know that it is much above the ground even yet. That building was to be for the treatment of juveniles. However, I am satisfied that I have done something, because again and again I have stood in this chamber and pleaded the unfairness and the injustice of putting boys in penitentiaries. The Minister of Justice has said that boys are not placed in penitentiaries. Well, I would ask him to be sure on that point, because I know that up to July, 1934, under the criminal code those boys could be sent to no other place. Up to July, 1934, the magistrates of this country had no alternative but to send to the penitentiaries boys under sixteen years of age who were found guilty of certain crimes, but a boy over sixteen could be sent to another institution. Can hon. members imagine legislation such as that? I have before me a letter from a magistrate saying, "Why do you not change that provision?" Last year the magistrates met in the city of Sarnia and received the instruction that they need no longer send these boys to the penitentiaries.

I am satisfied I have done some good. This whole matter is now given to us in a new light. We are told that this mental condition can be cured by glandular treatment. No doubt there are inmates in our penitentiaries who could be cured by this treatment. A great field is opened up in connection with this treatment which is being practised in England.

I was told that I was wrong in my statement in connection with the Borstal system. It was said that I knew nothing about penology and was absolutely wrong in my presentation of the case. In view of this I could hardly believe my senses when I found that the speech from the throne contained the statement that some action was to be taken in this regard. If the minister does nothing else, if he carries out this one thing, he will be worthy of a crown of glory.

I cannot say that I agree with the minister with regard to the superintendent; I believe he is the wrong man to send there.

Mr. GUTHRIE: Would I do?

Mr. ROSS: You would be better if you would do it.

Mr. GUTHRIE: I will do it.

Mr. ROSS: Then I say: Good luck to you. I cannot accept the word of this superintendent. When the trouble was on in Kingston I did not go near him but he came to my house and made me a definite promise in connection with dismissals. He failed to carry out that promise. We are hearing so much to-day about how you can depend upon government officials, but I want to state openly that the promise made to me was not kept. I have not as much confidence in this gentleman as I had before.

Much has been said about the thirty new improvements. As far as I know, most of these were made long ago. One of the improvements mentioned was the privilege granted to the Jews, but to my knowledge that was given twenty years ago. Another was the ten dollars given to a man when he leaves, but that has been in effect for years.

Mr. GUTHRIE: Those are not among the thirty improvements mentioned.

Mr. ROSS: The one connection with the Jews was. That is nothing new. Reform is in the air, and I am glad. I am not pleading for any individual case; I am not pleading for milder treatment; what I am pleading for is the scientific treatment of this question.

Another matter to which I should like to refer is the dismissal of five guards which occurred in February. It was stated that this was a necessary reduction in staff, but I think these men should have been kept on until at least the month of April. Five men were thrown out into the cold when we should expect more charity from a government institution. These men should have been kept on until the spring.

This whole question needs most serious consideration, and I think the government should consider the appointment of a psychiatrist to act in these institutions.

Mr. GUTHRIE: Mr. Chairman, I should like to say a word or two on the question of psychiatrists and psychologists. This matter

has been given close study by the department. The following will be found on page 46 of the report of last year:

It is recommended that a full-time psychologist should be employed in each penitentiary. Funds are not available in the appropriation for 1933-34. If this recommendation is approved, the appointments should take place early in the year 1934-35.

The estimates now before us provide for a psychiatrist and psychologist for each penitentiary, although no appointments have yet been made.

Last October a report was made to me by the superintendent and at the same time I received other requests from other quarters to consider the use of the Borstal system in Canada. Early in December a strong appeal was made in the form of a petition, and this was referred to by the hon. member for East Toronto (Mr. Church). At that time it was decided that the Borstal system would be started if at all possible, and for that reason there is included in this vote an amount sufficient to supply a psychiatrist and a psychologist for each penitentiary. The superintendent placed before me a report of His Majesty's commissioner of prisons for England. This gentleman made an examination of prisons in the United States and he devotes a chapter of his report to classification and examination by psychiatrists and psychologists. This report is the foundation for the suggestion that these men be appointed as soon as the Borstal system is established. The writer of this report, a man of great experience, says:

The distinction between the psychiatrist and the psychologist is at first confusing to the English layman. The former is usually a qualified medical man who concerns himself with the problems of mental disease. The latter is commonly not a medical man, but one who has taken a university degree in psychology and concerns himself with the character of a man, the play of his emotions, the strength of his instincts and inhibitions, and the relation of all these things to his conduct.

This eminent authority on prisons points out that both a psychiatrist and a psychologist should be on the staff of a penal institution, and they are on the staff of the Borstal institution in Great Britain.

There seems to be a misapprehension in connection with the treatment given to those who become insane in our penitentiaries. If a patient shows any sign of mental deficiency or insanity of any kind he is kept under close daily observation by the physician in charge of the institution. This officer is not a qualified psychiatrist but is a qualified physician, and particularly one who has mixed with his patients and, has a general knowledge and idea as to the mental condition of humanity. In any case which excites suspicion the best available experts are called in. At Kingston, members of the staff of Queen's university and other practitioners in the city are called in. It requires a certificate of two physicians to commit a man to an asylum in Ontario. A prisoner who comes in and remains in the institution for three months and subsequently becomes insane becomes a charge on the dominion under the statute. A prisoner who becomes insane within three months after entering the institution becomes a charge on the province whence he came, under the Penitentiary Act, the assumption being that the man was mentally defective at the time he came in and was a proper charge against the province. But an insane prisoner is not kept within the penitentiary; he is immediately sent to the provincial institution for the treatment of the insane.

I grant you that there has been some delay in the removal of some men who have been pronounced insane, but the reason has not been any neglect on the part of the penitentiary officials. All that is necessary is the certificate that the man is insane, then I sign the warrant for his immediate removal, and the same day a letter is dispatched to the provincial authorities requesting them to take the patient. If he has been more than three months a prisoner the dominion has to pay for him; if he has been less than three months a prisoner, the province. But the provinces are not as well equipped in some instances in regard to insane patients as they should be, and many times we have had the reply that we must wait because there is no vacancy. Under those circumstances we have had to maintain the prisoner, sometimes a week, sometimes two weeks and sometimes three weeks before we have been able to get him placed in the provincial institution. The best care possible is taken of him, the best we can afford at all events, and as soon as there is a place in the provincial institution he is removed.

Mr. HOWDEN: Do most of these cases occur within or after the three months?

Mr. GUTHRIE: It is hard to say. I have known of instances that have occurred within a few days. I commuted the sentence of a woman in the west. She was removed to the women's prison as a life prisoner and she had been there ten days when she was pronounced hopelessly insane. I know of another case in the west, where a man's sentence was commuted to life imprisonment. He was less

than a month in the Prince Albert penitentiary and was pronounced insane and removed to an institution called Ponoka in Alberta. The majority of cases are those of over three months, though there are a good many who become insane within the three month period. We have altogether seventy-six criminal insane in the various asylums.

Mr. ROSS: I am afraid the minister misunderstood me. The complaint is not as to detention or length of detention but it is this, that in the classification you have the mental case—that is, the criminal—and you have the other case, the man who is not a criminal but goes to the provincial institution.

Mr. GUTHRIE: Ours are all criminal.

Mr. ROSS: Exactly. Those cases admitted to the penitentiary are of the criminal class and therefore they should not be sent to the provincial institution. They should be treated as mental criminals. It is not a question of detaining the man; I think the whole situation should be cleared up. Take the situation with regard to the youth of the country. You have the dominion government treating them in a certain way and the provinces treating them differently. I hold that the two authorities should get together and decide upon one way of treating the youth. If the Borstal system is good for the dominion it should be good for the province also. I understand that the Borstal system takes in the class from sixteen to twenty-one only.

Mr. GUTHRIE: That is in England, though we might extend it here.

Mr. ROSS: I do not see the necessity for sending anyone to England; we could take the system and use it in our own way, because the English system will not answer. You have the provincial institutions and the dominion institutions in this country. I think that everyone who goes to a penitentiary is a mental criminal and should not be treated in a provincial institution where people are treated for recovery. That is an important point. I am not saying that the department does wrong but I say that the system is wrong, and perhaps the best way would be to have every case examined previously. We did that at the front. I do not like to refer to this, but one or two boys were shot for desertion and the thing struck a few of us then as being wrong. We felt that an examination of these boys would show that they had a mental, nervous condition that could not resist the strain, and it was wrong to execute them. What happened? I recommended to headquarters that an alienist be sent us and every one of our cases in the Canadian corps was examined by that alienist before it went to court martial. The result was that we saved some boys from an unreasonable and an unjust death, and we were the only corps on the whole front that adopted that method. I throw that out as a suggestion which might well be adopted in the courts. You would not have three doctors testifying one way and three testifying the other, with the result that the boy goes to penitentiary for life. It would not do any harm if we had the whole matter threshed out. Perhaps I am a little obsessed; someone may tell me I am cracked on the subject. But I have had my heart touched when I have seen boys coming as they do to Kingston, knowing that they are mentally wrong. There is something wrong with the system, and surely we are big enough to correct it without party politics or criticism of the minister or the ex-minister. I am not saying that these boys who are sent to the penitentiary are not criminals; but remember this—the boy you see is some father's boy, some mother's boy, and they have suffered through an unjust system which I think we should correct.

Mr. LAPOINTE: Before the vote is taken on this item I should like the minister to answer the plea of my hon. friend from Southeast Grey for the appointment of a royal commission to investigate all conditions in the penitentiaries. I hesitate to say anything about the matter because I do not want to add any material to the flames; I know the difficulties which the minister has to face in the administration of this branch of the department. I agree with much of what he said this afternoon, but there is no doubt that there is a strong current of public opinion in favour of an investigation, if only to prove to those who have wrong ideas regarding the conditions that they are mistaken. There are many well disposed people who are sincere in the matter. I remember an interview I had a few months ago with Archdeacon Scott, of my city, whose public spirit on a question of this kind is second to none, and he besought me to try to convince my hon. friend that an investigation was necessary to satisfy public opinion with regard to this question. I would simply ask my hon. friend at least to consider the demand of the hon. member for Southeast Grey in that respect.

We are talking about reforms everywhere, even in the penitentiary branch. The minister said the other day, in connection with a ghastly incident relating to the hanging of a

woman in Montreal, that this was under provincial jurisdiction. He is quite right as to that, but I wonder whether we should not, if we retain capital punishment—and I am not prepared to say that we should do away with it—have a change, because this is the criminal code of the country, in the method of execution, so that it should be carried out only in a penitentiary and not in any district. I believe the electric chair or some other device might be preferable to this remnant of old days when such things as we have read about in the papers recently are likely to happen. I just suggest to my hon. friend that the question ought to be studied, and I think it is a reform that should be brought about in this country.

Mr. GUTHRIE: I have a very strong opinion that in each province a central place might be established where these unfortunate cases would be dealt with. There is nothing I loathe more than to have to deal with such matters, because I have to devote so much time to them and have so much worry about them before the final word goes forth. But I am inclined to think there would be less comment, less objection and perhaps no miscarriages if a central place were established. I do not know that I am in favour of the electric chair. I have heard opinions expressed both for and against, and whether it is more or less humane than our system it is pretty hard to say. But the suggestion is well worth considering, and I assure my hon. friend that I will consider the plea he has now made and see whether anything can be done in the way he suggests in regard to a commission.

Mr. HEAPS: It is not often I intervene in a debate of this kind, although perhaps I have good reason to do so. I have the unique distinction of knowing what the inside of a penitentiary is like, and also what the inside of a gaol is like.

Mr. JACOBS: Why is the hon. member always boasting about that?

Mr. HEAPS: I am not boasting about it, but it gives me a reason or excuse for saying a few words with a little more authority than those who have spoken previously on the question. Some of them say that they were voluntary visitors for a few minutes; I happened to be an involuntary visitor to both institutions for a few months. I had an opportunity some years ago of seeing what the reactions of some of the inmates were to the treatment they were receiving. One of the first points that struck me was the fact that one met so many people there who had committed probably the same offence for which many different sentences had been given by magistrates or judges. When these people meet together and have an opportunity of discussing the various offences for which they have beeen sentenced, there is nothing that causes more dissatisfaction than for one man who received from a magistrate a sentence of, say, eighteen months for a certain offence to find that another man had been sentenced by another magistrate six months for the same offence. In connection with the administration of justice in this country there ought to be some board that would review sentences so that there might be something in the way of uniformity of punishment of those who have committed a similar class of crime. I have heard these prisoners discuss these questions and they often feel aggrieved at the sentences that have been imposed upon them. Instead of coming out of the institution better men than they were when they entered it, they come out with a grievance and possibly with the intention of committing another crime, and in many cases it is not long before those who come out with a grievance fall again into the meshes of the law.

Another point that struck me is that many of those who are in these institutions are really mental or medical cases rather than criminals who should be incarcerated in penitentiaries. My impression is that a very large percentage of the prisoners would probably respond much quicker to medical or mental treatment than they do at the present time to that which they receive in those institutions. I believe fully fifty per cent of the prisoners are mentally far below normal, and there ought to be some new method of dealing with that type of case with a view to providing that they shall not mix continuously with the hardened criminals whom we find in our penitentiaries and gaols.

I do not know whether the minister has made any statement to-day with regard to the segregation of prisoners. One of the most pitiful sights inside our gaols and penitentiaries is that of the young boy who goes in for the first time in his life, probably for a minor offence, perhaps because he has been unable to pay a fine that has been inflicted upon him, and is compelled to associate with hardened criminals. For example, a boy of quite respectable family who was unable to meet a fine of twenty dollars for speeding had to go into gaol and there mix with hardened criminals. I just wondered whether there was not some way by which such an offender, compelled to go into a penal institution, might receive treatment of a type

that at least would make him a better citizen when he came out than he was when he went in.

May I add a word to the plea that has been made by the former Minister of Justice? In view of the widespread dissatisfaction that is at present manifest in our penal institutions, would it not at this time be right and proper for the Minister of Justice to appoint a commission to investigate all the penal institutions in this country and to bring in recommendations that would improve the administration of the law? There is at the present time and has been for a year or so past a good deal of dissatisfaction inside the penitentiaries; it has not been confined to one of them. Had the outbreak occurred at Kingston only, we could say that it was just an outbreak in one institution where probably there might have been a few bad inmates, but we find the same thing taking place in these institutions in different parts of the country at one and the same time. Consequently I feel there must be some cause for the dissatisfaction that is manifesting itself in these penitentiaries, and I hope the Minister of Justice will accede to the various requests that have been made to him both to-day and in the past few months to appoint a strong commission that will make a thorough investigation into our penal institutions.

Mr. EULER: I should like to support the suggestion made by the ex-Minister of Justice with reference to two phases of the subject under discussion. Complaints have been presented from time to time for several years with regard to the administration of the penitentiaries. These ought to be investigated and cleared up. This is not said with any idea of criticism of the present Minister of Justice, but I think it would be in the public interest to appoint an unbiased commission to make such investigation.

The other matter I wish to discuss for a moment is that of capital punishment, or the method of execution practised in this country. Some seven or eight years ago there was a debate in the house as to whether capital punishment should be discontinued entirely. My own thought was and still is that we should abolish capital punishment. I question very much whether the fear of capital punishment is a deterrent to the crime of murder. But the point I desire to make now is that if we are to continue capital punishment, as a civilized people we certainly ought to discard the barbarous method of hanging. It seems to me it is a degradation of the human body which is repulsive and against all the instincts of decent and civilized people. Whether we should adopt the method of electrocution, and I suppose that is really the only alternative, I am not prepared to say. Further, whether a new method is adopted, or whether we continue the present practice of hanging, it certainly should not be carried out in the community in which the convicted person lives, because as everyone knows,—I have experienced it a number of times—when the execution is imminent and is carried out, there is a pall of horror over the community for at least a day. I do not think the people of the community should be subjected to that horror. The minister has already said he will take this matter into consideration. I commend that decision and urge serious consideration of the advisability and necessity of instituting a different method than hanging, and of having executions carried out in some central place and not in the community in which the offence was committed.

Mr. CAMPBELL: It is not often that the hon. member for Kingston (Mr. Ross) and myself can agree on any subject discussed here, but we do when it comes to the well being of the people of Kingston and Frontenac-Addington. To-night we have the chance to agree on matters affecting the well being of the unfortunate people who find themselves confined in our penal institutions. It falls to us to witness either fortunately or unfortunately some of these young lads who are sent to the penitentiary as they appear on entering the city of Kingston. It is a sorry sight to see them, manacled to a strong and upstanding man, going off to spend part of their life or perhaps their entire life in confinement. It has been my privilege in my professional and business experience to handle a lot of men and to hire a good number, and I feel I can say from my observation that the majority of these lads entering the penitentiary appear at first sight to be mentally deranged in some way. I heartily agree with the suggestion that a psychiatrist and psychologist should be appointed to every such institution. I also agree with the request of the hon. member for Southeast Grey (Miss Macphail) and others that a royal commission or some such body be appointed to investigate the entire subject of prisons throughout the dominion. I agree with the hon. member for Kingston City that we in that section cannot take the work or the judgment of the superintendent of penitentiaries. I say that in all seriousness, because I know the feeling of the residents of that district on account of the actions of the superintendent and his staff since he has taken the position he now holds. I could refer to many dismissals from Kingston and Collins Bay

penitentiaries on which I think the hon. member for Kingston City and myself would agree. I have before me a return concerning one dismissal which certainly is not political, because I am looking at a letter signed by the hon. member for Kingston City, in 1933 backing up this individual. He was appointed by the former Conservative government in 1920. The reasons advanced in this return cannot be accepted either by the hon. member for Kingston or by myself, because I happen to know of the ability, the reliability and honesty of this man; for at one time he did some work for me and for different concerns with which I was connected. I point out also that although this gentleman passed his civil service examination and was going to be employed by another department of the government, in some way, one of the officials of the Department of Justice prevented his receiving the position. That is the way some of the boys have been treated under the autocratic, military regime of the present superintendent.

We in the county of Frontenac and the city of Kingston felt, as did the hon. member for Kingston City, that when the Collin's Bay penitentiary was started it was to be a place of detention for unfortunate youth. I do not know why that plan was not carried out. That penitentiary at the present time is a sorry spectacle. It was started about seven years ago, and everyone who travels between Toronto and Montreal in the train sees the state it is in, the main building with steel work up and the stone scarcely above the ground, as the hon. member for Kingston City has said. I noted this afternoon that the minister stated in connection with the setting up of the Borstal system that there might need to be some construction carried on in some penitentiaries, especially St. Vincent de Paul, and probably that would mean that a contract would have to be let. I am wondering why it was that construction of the Collin's Bay penitentiary was held up, although there is plenty of convict labour there. Was it held up to award a contract to some other political friends? I happen to know that the city of Kingston almost a year ago, as a chance to find a way to use some of their unemployed labour, offered to build a part of a needed water main to the Collin's Bay penitentiary. The department did not see fit to accept that offer, but have since done it, not by convict labour but by other labour employed by the department, naturally at an advanced cost to the department.

I do not want to take up any more time, but only to say, coming from a constituency which is quite familiar with all the happenings in the Kingston and Collin's Bay penitentiaries, that we in that section of the country feel that a royal commission should be appointed to investigate the actions both of the department and of the wardens and staffs, and so forth, in the different penitentiaries.

Mr. GUTHRIE: I think my hon. friend should have given to the committee the full facts of the Van Alstyne case.

Mr. CAMPBELL: I have them here.

Mr. GUTHRIE: I think they should have been given. This man was relieved of his position because of his own actions. During his employment as a guard, or whatever his capacity was—

Mr. CAMPBELL: He was not a guard; he was confidential clerk to the warden.

Mr. GUTHRIE: Well, I am afraid that will not help the matter at all. He was convicted of the offence of driving a car while intoxicated, and conviction of a criminal offence is one of the things we do not tolerate in the staffs of our penitentiaries. It is alleged by this man, this clerk or guard or whatever he was, that this was not the reason; he said that I overlooked that offence, or that I forgave him. The facts are that he did not turn up for duty one day. It was learned that he was in the hospital, and the warden went to see him. The man said, "I have had a motor accident; I will be all right in a day or two." That was all that was reported to me. Any man may have a motor accident, but subsequently it turned out that there was something more. This man was summoned and convicted of driving a car while intoxicated, and that was why he was released from the penitentiary staff. I am sorry to say that in other penitentiaries we have had to do the same thing.

Mr. CAMPBELL: But may I say to the minister that there are several reasons given here, of which that happens to be one.

Mr. GUTHRIE: That is the reason, and I forgot to mention another matter.

Mr. CAMPBELL: Then I am glad to know that this was the reason. It is true that this gentleman was convicted of driving a car while drunk, but at the time he was under the jurisdiction of the militia as one of the officers in charge of A Company of the fourth battalion. He was on leave of absence from the department, and if anyone had jurisdiction over him at that time it must have been the Department of National Defence.

Mr. GUTHRIE: All I can say is that even if he were on his holidays and it came to my knowledge that he had been guilty of an offence against the criminal code, I would act in the same way. A man who has a record of that kind should not be in an institution where he is looking after criminals who have broken the law; they do not like to see a man over them who has done the very same thing.

Mr. CAMPBELL: Then that is all the more reason why we in that section of the country ask for a royal commission to investigate the penitentiaries. There happened to be another gentleman with this man at the time; that second man is still on the penitentiary staff—

Mr. GUTHRIE: He was not convicted of driving a car while drunk.

Mr. CAMPBELL: But I could give other cases which have been held up—

Mr. GUTHRIE: Unfortunately I have had to act in the same way in regard to friends, if I may use that word, of my own.

Mr. HEAPS: May I ask the minister if he would be good enough to inform the committee as to whether he is prepared to appoint a commission of investigation?

Mr. GUTHRIE: No, I will not inform the committee. I have only been asked to consider the matter, and I promised that I would do so.

Item agreed to.

Royal Canadian Mounted Police—
Salaries, $16,200; contingencies, $12,500.

Mr. SPENCER: May I ask the minister if he has any information with regard to the possibility of police being stationed at Myrnam, Alberta?

Mr. GUTHRIE: I am expecting a definite report on that matter. I am afraid it is going to be a difficult matter to put a detachment there, but I think I can let my hon. friend know by the end of the week.

Mr. REID: May I ask the minister if this is the item under which we are to discuss the cases mentioned when the mounted police bill was under consideration?

Mr. GUTHRIE: We can take up those matters under any item; we will let item 186 stand in order that any matter concerning the police may be discussed.

Item agreed to.

Progress reported.

[Mr. Campbell.]

On motion of Mr. Guthrie the house adjourned at 10.50 p.m.

Friday, April 5, 1935.

The house met at three o'clock.

REVENUE POSTMASTERSHIPS

On the orders of the day:

Hon. ARTHUR SAUVE (Postmaster General): In answer to the question asked by the member for Témiscouata (Mr. Pouliot), I table a document showing the permanent appointments to revenue postmasterships made between August 7, 1930, and February 28, 1935, by provinces and electoral districts; also a document showing the temporary appointments to revenue postmasterships during the same period. Owing to certain comments made by a member, I must give to the house the reason for the delay in answering the question. The compilation of the list of these appointments required the perusal of more than 4,300 records and more than 1,000 supplementary hours of work, 360 of which were outside the regular hours, at night, on Saturday afternoon and Sunday. To answer as quickly as possible we had to suspend in part the regular work and to get it up to date, will require extra hours of work.

Mr. POULIOT: I thank the minister and I am delighted to see that at last he has waked up.

EASTER ADJOURNMENT

On the orders of the day:

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): Yesterday the leader of the opposition (Mr. Mackenzie King) inquired regarding the proposal of the government in respect of the adjournment of the house over Easter. The Prime Minister is making steady progress towards recovery. Yesterday he sat up for a time and I saw him afterwards and he looked exceedingly well. We all expect that he will be well enough to attend the ceremonies of the King's Jubilee in London on May 6. I am sure that everyone in this house and in the country would like to see Canada represented by the Prime Minister on that historic occasion. It is our intention to ask this house to consent to an adjournment until Monday, the 20th day of May, by which time—

Some hon. MEMBERS: Oh!

Sir GEORGE PERLEY: I quite realize that some hon. gentlemen would prefer to have the adjournment not so long, but under the circumstances I hope they will acquiesce, because by that time we expect the Prime Minister to be back in Canada and able to take up his duties again in this house. We certainly think it is very desirable that the Prime Minister should be here when parliament is prorogued. In the meantime it is our intention to get legislation prepared, based on the mass buying commission's report, which the chairman tells me is expected to be ready for presentation to the Minister of Trade and Commerce next Tuesday, and which we hope to be able to lay on the table of the house some day next week. There is also legislation which will be based on the report which it is hoped the housing committee will make next week too. Our purpose is to have that legislation prepared during the recess, so that when we come back we will be able to complete the session as quickly as possible, and I am sure every hon. member will like to see that done.

Mr. DUFF: By the middle of July.

Sir GEORGE PERLEY: No; I am sure the legislation that will be introduced will be so satisfactory to the hon. gentleman that he will find himself unable to oppose it, in exactly the same way as he has found himself unable to oppose the legislation which has been brought in this session already.

Mr. DUFF: There was nothing to oppose.

Sir GEORGE PERLEY: We propose to submit to the house an estimate for the payment of the actual moving or transportation expenses and reasonable living expenses of the members in the same way as was done during the recess at the end of 1932. The Minister of Finance (Mr. Rhodes) proposes to include that in his supplementary estimates.

Mr. DUFF: Will it include the payment of rents for apartments?

Sir GEORGE PERLEY: I am sorry to say that we cannot cover every case, and we propose to deal with the matter as has been done in other similar years.

With regard to the time when parliament will be able to adjourn for the Easter recess, I am unable to give my hon. friends opposite any better information than they have themselves in what was said yesterday. If we are to have this adjournment until May 20, we can adjourn at the convenience of hon. members on any day when business warrants.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): It is unnecessary to say that we are greatly pleased to learn that the Prime Minister (Mr. Bennett) is making such a good recovery. I also think the house will be pleased to know the Prime Minister hopes to find it possible to be present at the silver jubilee ceremonies in London. The country will wish to be represented there at that time by him. But I am sorry to hear my right hon. friend say that he thinks it will be necessary to have such a long adjournment at the Easter season. May I say to the acting leader of the government that I think he has got along splendidly; we all seem to be managing very well with his colleagues and himself and we have got through a great deal of business. I see no reason why that happy condition of affairs should not continue with the acting leader in charge and without any loss to the Prime Minister or to the country. While it is of course most important that we should have the report of the price spreads commission and the legislation that is to be based thereon, and in addition the report of the housing committee, still I believe a recess of something like a week or ten days at Easter would be ample, and we might get under way with that legislation before the return of the Prime Minister from the conference in time to permit him to close the session as he will no doubt very much wish to do. But I feel a very strong protest ought to be made against adjourning for so long a time as until May 20, and that notwithstanding the compensation which the Minister of Finance (Mr. Rhodes) is going to give us all for expenses in going to and from our residences at that time.

The really serious part of the whole matter is that this unnecessary prolongation of the work of the session means a still further postponement of the date of the general election. There is no doubt in the world that until after there has been a general election, business will not begin to become normal, or a general revival take place. For that reason I wish to protest again at so long a delay at the Easter season.

Sir GEORGE PERLEY: I thought my right hon. friend might to some extent criticise the length of the adjournment; but might I say, when he suggests it would further postpone the date of the general election, he is entirely in error. The revision of the lists is now under way, and as soon as those lists are completed, we shall be able to have an election. Whether we sit in May or June will make no difference in the date.

Mr. MACKENZIE KING: Can the right hon. gentleman say when we may expect to have the lists completed?

Sir GEORGE PERLEY: The Secretary of State (Mr. Cahan) will reply to that.

Hon. C. H. CAHAN (Secretary of State): That will depend upon the number of alterations which are made in the lists as now printed and published. I cannot express an opinion as to the time it will take to make those corrections in the presently existing lists.

Mr. MACKENZIE KING: Has my hon. friend any idea as to how many changes will have to be made, and would it be possible for him to make an estimate in the next few days?

Mr. CAHAN: I have no knowledge of constituencies other than my own, but I am informed, whether reliably or not, that in the lists of 25,000 or 26,000 voters in that district, there may be at least 2,500 or 3,000 changes. In some years I have known of more than that number to take place on or about May 1.

Mr. ROBERT GARDINER (Acadia): While we might well feel it regrettable that there must be such a long adjournment, under the circumstances I presume it will be necessary for us to acquiesce in the government's request; but if during that long adjournment the government is able to prepare some worthwhile legislation, probably the adjournment may also be worth while.

There is however one point that I would like to impress upon the present leader of the house (Sir George Perley), and that is that seeing the adjournment must be of some considerable length, it would be advisable to let hon. members know as early as possible on what date the adjournment will take place in order that we may make our plans.

Mr. MACKENZIE KING: May I ask the acting leader of the government whether any new legislation will be introduced between now and the time of the adjournment, and also whether when the house reassembles after adjournment, the legislation that will then be introduced will be limited to what is based on the report of the price spreads commission and the report of the housing committee in addition to what we already have on the order paper?

Sir GEORGE PERLEY: As regards legislation that may be introduced between now and the date of adjournment, there may be one or two other bills; we will let the right hon. gentleman know as early as possible. As to legislation that may be brought in after the adjournment, all I can promise is that we shall try to have it all ready within a day or two after we meet.

GARNET WHEAT

On the orders of the day:

Mr. E. J. GARLAND (Bow River): When the estimates of the Department of Trade and Commerce were before the house some days ago, the minister intimated that some consideration was being given by himself and his officials to the matter of the segregation of garnet wheat, but that no definite decision had at that time been reached. May I inquire of the minister whether such a decision has now been arrived at?

Hon. R. B. HANSON (Minister of Trade and Commerce): Yes, it has been decided to let the law take its course.

BUTTER IMPORTATIONS

On the orders of the day:

Mr. SAMUEL GOBEIL (Compton): I would like to direct a question to the Minister of Agriculture (Mr. Weir). He is not in his seat at present, but he will be able to read the question in Hansard. I am interested in the question which was asked by the hon. member for Laprairie-Napierville (Mr. Dupuis) of the Minister of Agriculture a few days ago and which he referred to again yesterday. I understood the minister to say that he would place on Hansard the information he gave the hon. member by letter. Personally I am very much interested in this; I have received several inquiries as to why Canada imports butter from the United Kingdom. I would ask the Minister of Agriculture if he would take this as notice of question and state why these importations have been made, and what amount of butter has been imported from the United Kingdom and other countries during the past year, also for the fiscal year ended March 31, 1930; and what the exports were during the same periods.

QUEBEC HARBOUR COMMISSION

On the orders of the day:

Mr. PIERRE F. CASGRAIN (Charlevoix-Saguenay) (Translation): Mr. Speaker, may I ask the hon. Minister of Marine (Mr. Duranleau) if it will be possible for him to bring down soon the return in answer to some questions I addressed to him on February 13? At page 780 of Hansard, the hon. minister stated:

Mr. Duranleau: I think this question should stand as an order for return and I shall table the information received from the harbour commission.

The questions asked referred to the Quebec Harbour Commission. To my knowledge, those papers have not been brought down.

Hon. ALFRED DURANLEAU (Minister of Marine) (Translation): Mr. Speaker, I shall inquire from the officials of my department; I hope to be able to bring down the return in a few days.

RECIPROCITY NEGOTIATIONS

On the orders of the day:

Mr. A. W. NEILL (Comox-Alberni): In view of the proposed adjournment could the leader of the government give any information as to the progress of the negotiations for reciprocity either with the United States or Japan?

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): I am sorry I did not quite hear the hon. gentleman's question. I will give a reply on Monday.

SUPPLY

DEPARTMENT OF JUSTICE

The house in committee of supply, Mr. Morand in the chair.

To compensate members of the Royal Canadian Mounted Police for injuries received whilst in the performance of duty, $12,000.

Mr. CASGRAIN: I would like to have the indulgence of the house to make a few remarks on the administration of the mounted police. The other day when certain estimates were up hon. members complained of the manner in which some of the officials were carrying on their work. About a month ago there was brought to my knowledge by one of the most prominent barristers and solicitors of our city the fact that one evening he was in his office a little after 6.30—

Mr. BELL (Hamilton): Would the hon. member speak up, and some of the conversation stop?

The CHAIRMAN: Order.

Mr. CASGRAIN: His wife called him and advised him that some officers of the mounted police were at their house saying that they were to carry out an investigation. Of course he said to his wife that there was no objection, to let them go on. They proceeded to go over the house from top to bottom to find out whether there was liquor concealed anywhere on the premises. I do not wish to give in this house the name of the barrister who told me of this incident because I did not tell him I would bring the case to the attention of the house. This gentleman and his wife and his family were put to serious annoyance and disturbance, and I repeat that this man is one of the leading members of the bar in the province of Quebec and the city of Montreal. Of course the mounted police did not find anything, and they went out saying they were sorry. A few days afterwards I had occasion to meet one of the solicitors of the government who were handling some of those cases in Montreal, and I reported the facts to him. He said, Well, we have no control over those things. It might happen that certain residences on given streets would be assigned to certain officers of the mounted police to investigate. I asked that friend of mine, Did they show any document or warrant or authority for going there? He said, No, they just presented themselves in the evening and said they were men of the mounted police and had the right to look through the house. As I could not get any satisfactory answer from the lawyers representing the government I thought it my duty to bring this case to the attention of the committee in order that the Minister of Justice and officials of the mounted police might find out whether it is the practice to give blanket instructions and certain street numbers to their officers to which they can go at random, and maybe one day go to some high official or persons higher in society than this prominent lawyer, who might be disturbed at any hour of the evening or night. I strongly protest against this practice and hope such an incident will not be repeated.

Hon. HUGH GUTHRIE (Minister of Justice): If my hon. friend will write me a letter and give me some particulars I shall have inquiry made. If it is only a general charge without particulars I do not know that I can assist him. He need not disclose names, but if he will give me date and place probably I can get reports. I may tell him that no blanket instructions are given as to certain streets or blocks; such blanket instructions do not exist. When information comes that illicit traffic in liquor is being carried on, then under what is known as a writ of assistance issued under the Customs and Excise Acts, the mounted police under the provisions of that act are entitled to make search. But the instructions are very specific, no general instructions are

issued. If my hon. friend will tell me in confidence the place and date I will have a report made and presented to him.

Mr. BRASSET: Some time ago I had occasion to write to the minister asking him a question, and I am obliged to say that I have received no answer. Here is the case. Some time ago a man was accused of having liquor in his possession, contrary to the Excise Act. He was tried and acquitted. A couple of days afterwards the mounted police went to his place, his wife and children being there, and asked him for his finger prints. The man refused. The mounted police forced him to give his finger prints. He had been acquitted of the charge. I do not see how the mounted police could have authority to go there and force him to give his finger prints. This man wrote a letter to me enclosing a letter for the Minister of Justice, and I wrote the minister myself asking what authority the police officers had to take finger prints under such circumstances. I have received no answer and would ask the minister to give me an answer now.

Mr. GUTHRIE: I may tell my hon. friend that a report was received by me at five minutes to three this afternoon on the case he mentions. He will be notified by letter to-morrow as to the contents of the report. I only glanced over it before coming into the house, not knowing this question was coming up. But I may tell him that when any indictable offence is charged it is permissible under the law to take finger prints.

Mr. BRASSET: Is it permissible after he is acquitted?

Mr. GUTHRIE: I cannot speak as to that. My information at the moment is that they can take finger prints at any time when a man is charged with an indictable offence. I shall have to look into it and make a more detailed report to my hon. friend. But after glancing at the report my recollection is that his acquittal was appealed.

Mr. BRASSET: The case is in appeal now. I understand that he was acquitted and then the government appealed.

Mr. GUTHRIE: Then he may still be convicted; I thought I gathered that from the report, but I will write my hon. friend to-morrow. I do not think there has been any delay in this matter; I think I have

[Mr. Guthrie.]

the reputation of answering my correspondence pretty promptly. I know some criticism is levelled against some of the departments, but I do not think that applies to my department.

Mr. BELL (Hamilton): I quite endorse what has been said by the minister, that there is no delay on his part in dealing with cases that come before him, and also, perhaps inferentially, that any case with which he may have to deal is considered fairly and with every consideration shown the accused. But I say to this committee that regardless of what may happen in any case, large or small, that may come before any of the courts of this country, to take the finger prints of any man accused simply because he has been accused, before the final disposition of his case has been made, is an outrage and ought to be condemned by every member of this house. I have no hesitation in saying that so far as I am concerned it will receive all the opposition that is within my power.

Mr. POULIOT: I offer my congratulations to my hon. friend from West Hamilton for the statement he has just made, which is worthy of his experience before the courts, especially in criminal matters. May I ask the minister what have been the activities of the Royal Canadian Mounted Police in fighting communism in this country? I should like to know something about the stand taken by officer Zaneth in the prosecution of communists in Toronto some time ago.

Mr. GUTHRIE: Officer Zaneth had nothing to do with the matter; he was never connected in any way with prosecutions in Toronto.

Mr. POULIOT: But were there any prosecutions of communists after the report was secured by the Royal Canadian Mounted Police?

Mr. GUTHRIE: The attorney general of Ontario took action and he asked for reports from the mounted police. The action was entirely in the hands of the attorney general's department in Toronto.

Mr. POULIOT: I remember that at the time I received a communication about it from Mr. Price, then attorney general, which I believe was sent to all hon. members. Then may I ask the minister this very direct question: Are the Royal Canadian Mounted Police doing anything to secure information about the communists or to check communist propaganda in this country?

Mr. GUTHRIE: No, no special effort is being made in regard to communism, but they do take general cognizance of what is going on throughout Canada, and if anything unusual happens they report it. I do not know of any action ever having been taken by the mounted police in regard to that matter.

Mr. POULIOT: May I ask the hon. gentleman if some booklets containing communistic propaganda were seized by the Royal Canadian Mounted Police during the past year?

Mr. GUTHRIE: My instructions are in the negative.

Mr. POULIOT: Is there not someone in the mounted police who checks the papers published in foreign languages in order to bring to the attention of the commissioner anything by way of communistic propaganda?

Mr. GUTHRIE: Oh yes, I think probably the foreign newspapers as well as newspapers that are not in foreign languages, are checked up.

Mr. POULIOT: And may I ask the minister if there is not a translator in the Royal Canadian Mounted Police branch whose business it is to read publications in foreign languages with regard to the communistic propaganda in this country?

Mr. GUTHRIE: No, not particularly in regard to communists, but in regard to all foreign newspapers and particularly those that are under suspicion of publishing matter detrimental to Canada or to the government of Canada or anything of the kind. We have had intimations from foreign powers in regard to some foreign language publications in Canada reflecting on Jugoslavia and other countries, threatening the destruction of the king and the like, and we have translators or we get translations done by some department of the government; I think probably the mounted police are able to make the translations themselves. I have had protests from representatives of foreign states, consuls and the like, and we are in a position to translate and scrutinize the contents of foreign language newspapers.

Mr. POULIOT: Then would the minister be kind enough to tell the committee in what sense they are scrutinized and for what purpose?

Mr. GUTHRIE: For general purposes. This work is very confidential; it is part of the secret service work of the mounted police.

Mr. POULIOT: I am very glad indeed to hear the statement of the minister; it is in accord with a speech delivered by the Prime Minister in Toronto as reported in the Ottawa Evening Citizen of Thursday, November 10, 1932. The title is:

Asks Canadians Put Iron Heel on Communism

Premier Bennett also vigorously denounces socialism in address to Ontario Conservative Association. Says Liberals seem to capitalize on unrest. Declares cooperative commonwealth movement means sovietism.

The article continues:

Toronto, November 9.—In a vigorous speech which carried applause from every corner of the convention hall, Prime Minister, R. B. Bennett, to-day roundly denounced socialism and communism. Premier Bennett was addressing the 11th annual convention of the Ontario Conservative Association.

What do these so-called groups of socialists and communists offer you? the Prime Minister asked. "Some are commending to you the history of Russia," Mr. Bennett declared. "If any of you have read the small volume by the Duchess of Atholl, I do not think you will give it much support."

Then he continues as follows:

"They are sowing their seeds everywhere. Right in this city of Toronto such propaganda is being carried on, and in the little out of the way places the same injurious work is being done. We know that throughout Canada this propaganda is being put forward by organizations from foreign lands that seek to destroy our institutions. Now, ladies and gentlemen, we ask every true Canadian to put the iron heel of ruthlessness against a thing of that kind."

This was the address by the Prime Minister, and I understand that the only time a heel is used as a rudder is when the toboggan is going down the hill. He continued:

Well, if there are any Liberals within sound of my voice you will get away from that party because it is no longer a party but a jumble led by a cooperative commonwealth. Why? Because they seek to capitalize on all the unrest that exists.

The Prime Minister closed with a cheerful note of optimism. Canadians would go through the economic situation successfully, and was maintaining its stand as the fifth trading nation of the world.

Then if we glance at the New York Times of February 17, 1935, we see this heading:

Bolshevism Marches Toward Its Goal

An examination reveals that Russia has carried out the major Marxist principles.

Therefore as the Royal Canadian Mounted Police is securing information about the dangers of communist propaganda it is safeguarding the old order of things. Old order or no order, this is a most important thing, and the Royal Canadian Mounted Police is a bulwark of the old order. But unfortunately,

as the Prime Minister has said, the old order has gone. Therefore the Royal Canadian Mounted Police is fighting for an aim which is in contradiction of the aim held by the Prime Minister. The right hon. gentleman has said the old order has gone, but we find the Royal Canadian Mounted Police fighting for it. This is a most serious thing. It is so serious that I shall ask that police body to safeguard the country and the order of things against those who preach communistic propaganda in Canada. The Royal Canadian Mounted Police must be very careful, and would render a very great service by protecting the old order against the dangerous innovations of some so-called statesmen.

Mr. CASGRAIN: The Prime Minister.

Mr. POULIOT: Therefore I suggest they should have a guard around the Chateau Laurier so that in the event of the Prime Minister recuperating—and I sincerely hope he will—he will not make any more statements such as the one I shall now read. This statement would have been confiscated by the police had it been uttered by any other Canadian citizen. Mark you, sir, the Times, the greatest paper published on this continent, states:

Examination reveals that Russia has carried out the major Marxist principles.

That is a very serious thing. What was said in Montreal on January 28 last? A press dispatch appearing in the Montreal Gazette of that date reports a speech delivered by the Prime Minister, one which was broadcast over the radio, as follows:

The Prime Minister suggested that his talks with Soviet Foreign Minister Litvinoff at Geneva and his study of the views of Sir Stafford Cripps and John Strachey, British radicals, had influenced him to a great extent, while he also pointed out the lessons that could be learned from the French and Russian revolutions.

The first time the Prime Minister spoke about the iron heel of ruthlessness he was influenced by a book published by the Duchess of Athol. This time he is influenced by Strachey, by Cripps and by Litvinoff.

Mr. CASGRAIN: The Royal Canadian Mounted Police must be asleep at the switch.

Mr. POULIOT: Most interesting. Who is Strachey? What are his books. According to the New York Times of March 24—

At All Bookstores
by John Strachey
The Nature of Capitalist Crisis
Just published and an immediate best seller
416 pages—$3.00

[Mr. Pouliot.]

The Coming Struggle for Power
Over 100,000 people in this country have read this major book
416 pages—$3.00
The Menace of Fascism
A superb analysis of the growing Fascist threat
272 pages—$2.25
Literature and Dialectical Materialism
An essay which tells the what and why of "Proletarian Literature."
64 pages—$1.00
Covici—Friede—Publishers—New York

I am not advertising these books, but I have had to read the advertisement in order to show what impressed the Prime Minister when he said he was inspired by the scripts of Cripps, by the scripts of that crank Strachey, and by Litvinoff. I would not have made this reference if the Prime Minister had been unwell, but we are told by the acting Prime Minister that from day to day he is getting better. If he is better let him support the criticism and if he is unwell let him resign. I do not wish to carry on a discussion with a moribund. Here is what the Prime Minister said as reported at page 229 of Canada, a weekly publication, on September 15, 1934:

Soviet Admission To The League
"No reason for refusing," says Mr. Bennett
Paris, September 6.

A hint of Canada's probable attitude on the question of the admission of Soviet Russia to the League of Nations was given by Mr. Bennett, the Canadian Prime Minister, who arrived in Paris this evening on his way to Geneva.

"There is no reason for refusing" said Mr. Bennett, when questioned on the subject at Cherbourg.

"So you will vote in favour of the Soviet?" asked the Temps correspondent.

"I did not say that" replied Mr. Bennett.

"It is possible that Mr. Bennett is maintaining an open mind in regard to the election of the Soviet union to the league," Reuter was told this evening.

"Things look different on the spot at Geneva, and Mr. Bennett may only make up his mind after a careful weighing of the international situation as seen from Geneva.

"It is certain that the election"—

And this is most important.

—"of the Soviet would not meet with unanimous Canadian approval."

That was the statement of the Prime Minister at Cherbourg on September 6 of last year. Why was it certain? Because at the time the iron heel of ruthlessness had still to be used as a weapon against communism. But times have changed. There was a telegram signed by some distinguished gentlemen, and containing the signature of the Prime Minister. This telegram is an invitation to Russia to join the League of Nations and was signed by Teclé-Hawariate, Lec Kurti, S. M. Bruce, E. Berger, Anthony Eden, C. Batoloff,

R. B. Bennett, Manuel Rivas-Vicuna, Quo tai-Chi, Eduard Benes, J. Seljamaa, Louis Barthou, D. Maximos, C. Mayard, G. Tanczos, Denys Bray, Noury Said, Aloisi, W. Munters, S. Lozoraitis, F. Castillo Najera, C. J. Parr, B. Kazemi, Beck, N. Titulesco, Eric H. Louw, S. de Madariaga, Tewfik Rustu, A. Guani, Bogoliub Yevtitch.

Those distinguished gentlemen decided to invite Russia to join. That is not all. I asked the right hon. gentleman the following question about Russia; reported at page 316 of Hansard:

Did the Canadian delegation officially meet in Geneva in September, 1934, Mr. Maxim Litvinoff, people's commissary for foreign affairs of the U.S.S.R.?

The Prime Minister answered, No. He answered an emphatic No, and I must say his answer was very strange because that question concerned an official meeting. There were Russian delegates who went to Geneva and there were also Canadian delegates who went there, they were at the same meeting, and yet they did not meet officially. Is it not absurd, Mr. Chairman? In the House of Commons is it necessary for a member to speak to every other member before it can be said we have met officially when we are all sitting together here in the house? Of course not. Yet the delegates of Russia and those of Canada were sitting together at the League of Nations and were not meeting officially. But certainly, Mr. Chairman, they were meeting socially and meeting personally because the Prime Minister suggested that his talks with the Soviet foreign minister, Litvinoff, had influenced him so much that Strachey was deported from the United States—

Mr. HEAPS: Pardon me, he was not deported.

Mr. GUTHRIE: I do not like to interrupt my hon. friend, Mr. Chairman, but surely he has received enough indulgence in regard to the question under discussion here. This item has nothing to do with the entrance of Russia to the League of Nations. I generally find it is shorter not to interrupt than to interrupt, but I am going to raise the point of order.

Mr. POULIOT: Speaking to the point of order, Mr. Chairman, may I explain to you why I am proceeding in this manner, and I shall try to make it as short as possible. The hon. Minister of Justice, for whom I have a high regard, submits to you, sir, that my remarks are irrelevant to the matter under consideration, but they were based on the minister's own remarks on this very item. I asked him before I proceeded if the communist propaganda had been checked to a certain extent by the Royal Canadian Mounted Police for whom we are being asked to vote a certain amount of money. That is a matter under discussion.

Mr. GUTHRIE: I ask you to rule, Mr. Chairman.

Mr. POULIOT: Just a moment, please, Mr. Chairman. I would ask the minister to be courteous enough to let me make my point to the chair before a decision on the point of order is given. I know the minister is too fair to prevent me submitting my argument on the point of order. I wish to stand by the rules of the house and to submit to you sir, my argument on the point of order in order that you may decide with all the facts before you.

The CHAIRMAN: Surely if we permit the hon. member to discuss the activities of the mounted police in Canada, that should be latitude enough without going outside this country. It is allowing a lot of leeway on this item to permit the hon. member to deal with the whole activities of the mounted police in Canada, and surely the hon. gentleman will not ask me to permit him to go outside of Canada.

Mr. POULIOT: No, sir, but may I humbly submit my point of view? We know now that one of the most important duties of the Royal Canadian Mounted Police is to check communist propaganda in this country, as I am sure you will agree with me, Mr. Chairman, and the questions I have asked the minister were only with regard to the past activities of the Royal Canadian Mounted Police in checking communist propaganda in this country. Was I not in order in asking those questions, sir?

Mr. CHAIRMAN: A great deal of leeway has been permitted the hon. gentleman, but so long as he remains in Canada and discusses the activities of the mounted police within the country he may go on, but surely he must not go outside of Canada.

Mr. BELL (Hamilton): If he got out and stayed out it would be a help.

Mr. POULIOT: Pardon me, I thought I heard a sound.

Mr. BELL (Hamilton): You heard it and you understood it.

Mr. POULIOT: What I wished to bring to the attention of the Minister of Justice and of the commissioner has been accomplished so far as the activities of the police within this

country are concerned. I have already cited quotations as to what has happened outside of Canada, and I shall not mention that again because I wish to abide by your ruling, sir. But what I wish now to bring to the attention of the Minister of Justice and of his commissioner, who is a very efficient gentleman, is a speech that was delivered by the Prime Minister in Montreal.

The CHAIRMAN: That again surely has nothing to do with the activities of the mounted police.

Mr. POULIOT: Yes, just a minute, Mr. Chairman.

The CHAIRMAN: Just a minute. That has nothing to do with the activities of the mounted police. This item deals with the mounted police, and let us keep to it. The hon. member will have ample opportunity on other items or in other circumstances to discuss what the Prime Minister has said.

Mr. LAPOINTE: The hon. member for Témiscouata is dealing with the inactivities of the mounted police.

Mr. POULIOT: I want the Royal Canadian Mounted Police to do their duty, to be a useful body in this country, and not simply to sit in their offices without performing the duties for which they were appointed, and for which we vote money. That is why I want to give them a very good tip as to a most useful work they can do by indicating to them most dangerous and most pernicious communist propaganda which came out of the lips of the Prime Minister, and I ask the commissioner to stop that communist propaganda in this country. Now I am through, Mr. Chairman.

Mr. BELL (Hamilton): Mr. Chairman, may I just say a very brief word in regard to what has been advanced to the committee by the hon. gentleman who has just taken his seat? If I have followed, and I hope I have, the questions that he addressed to the hon. Minister of Justice, they were designed to crystallize, so to speak, the activities of the mounted police in various parts of this country, and particularly in those realms with which the hon. member for Témiscouata is best acquainted. I have followed with great interest the balance of his address based on what my hon. friend was able, I will not say to elicit from the minister, but to suggest to the minister, and that brings me to one thought of very grave necessity. In this house last night when the penitentiary estimates were under consideration I felt constrained to offer to the Department of Justice the suggestion that there should be in every penitentiary in this country a competent psychiatric clinic. Having listened to the hon. member for Témiscouata this afternoon I am constrained to suggest that that might be extended to certain members of parliament, and particularly to the hon. gentleman from Témiscouata.

Mr. POULIOT: Mr. Chairman, I do not attach much importance to what the hon. member from Hamilton (Mr. Bell) has said. I will leave with him this one thought, that people who live in glass houses should be very careful not to throw stones. I was generous enough to offer my congratulations to him at the beginning of this sitting, but now I gladly withdraw them because he is not worthy of them.

Mr. BELL (Hamilton): I am flattered, highly flattered.

Mr. REID: When the bill regarding the Royal Canadian Mounted Police was under discussion some time ago I mentioned at that time some matters affecting the force and its operations in the province of British Columbia. The minister, in reply at that time, said that perhaps these matters could be better discussed when the estimates were under consideration. On that occasion I did not go as fully into the matter as I should have liked, nor did I mention the names of those connected who had been engaged by the Royal Canadian Mounted Police. However, I am taking the opportunity this afternoon to bring these matters to the minister's attention, and I take it that he has under his hand all the information regarding these cases.

The first case is that of a man named Handley who was engaged as an under cover man for the Royal Canadian Mounted Police. He operated from Vancouver throughout the lower Fraser valley, but particularly in the municipality of Richmond, and I may say that he was operating there without the knowledge of the municipal police. Whether any information had been given to the provincial police I do not know, but I do know that he was operating in the various municipalities without any knowledge on the part of the municipal police, either regarding his operations or regarding the workings of the other under cover men. From information I have, and I have been in very close touch with the reeves of the various municipalities, there has been no necessity to call in the help of the Royal Canadian Mounted Police, especially in the cases which I am going to discuss. I have every word of praise both for

the provincial and for the municipal police, nor have I anything particularly derogatory to say of the Royal Canadian Mounted Police; it is the operations of the under cover men which I wish to discuss particularly this afternoon, while the chief officer of the mounted police is before him.

The first case occurred on March 20, 1934. It was then that this man Handley went into a store operated by a Chinaman and asked him if he would like to make money by selling liquor. After some negotiations the Chinaman consented, and Handley offered to supply him with bottles, colouring mater and labels. I take strong objection, as I did the last time the matter was under discussion, to any man being allowed to go through the municipalities and tempt men to commit crime. I do not think it is the duty or the business of the Royal Canadian Mounted Police to butt in in these municipalities in this class of work. On April 6 the place was searched by the Royal Canadian Mounted Police and this man came before the court. The municipal police were not aware that Handley was operating under the Royal Canadian Mounted Police, but they did have information that he was handling liquor and had liquor in his charge for sale. Not knowing that he was operating under the Royal Canadian Mounted Police they arrested him. It was when they arrested him that the information then came out that he was an under cover man in the employ of the Royal Canadian Mounted Police. Charges were laid—and I have copies of the court record under my hand. He came before the court and both he and a confederate named Kemp, who sometimes operated under the name of Tufts, were fined $500 or six months. During the time the case was pending the municipal police endeavoured to obtain information regarding this man Handley, and on being tipped off from the Vancouver police department that he had a criminal record and was wanted for a certain crime in Australia they went to the immigration authorities and there endeavoured to get his record. I call the minister's attention to this aspect of the matter, though it does not come directly under his department, because it is very serious. The immigration authorities refused to give any information; they said they had instructions from the Royal Canadian Mounted Police not to divulge information to the municipal or any other police force regarding this man. The municipal police then wired Australia and information came from that country regarding the man's record. It appears he had come to Canada as a stowaway, landing in Montreal, and had travelled across the country to Vancouver, entering the country through the port of Vancouver even though he had declared that he was a stowaway. The following day his wife and family arrived from Australia and they also were admitted into the country. That question does not come directly under the jurisdiction of the minister, but I shall probably have more to say regarding it when the immigration estimates are under discussion, because I believe it to be a very serious state of affairs. I corroborated the information regarding the stand taken by the immigration authorities, as when I was asked to come into this matter, an appeal being made to me by the reeve of the municipality and the chief of police, I discussed the case with the immigration authorities, who told me that they knew better than to do anything against the Royal Canadian Mounted Police. I made the statement at the time, and I make it now, that it seemed to me, so far as that department was concerned, that all you had to do was to be employed by the Royal Canadian Mounted Police and you were immune from arrest or deportation no matter what your crime was and that any information regarding your record would also be withheld.

I do not know whether the minister has before him the full record of this man, but Handley was at one time in partnership with a man named Springer, running a gas station and a car repair establishment. The police found alcohol on the premises and a charge was laid against Springer, though not against Handley, who was, as I have stated, working for the Royal Canadian Mounted Police. There was another case where a man named Walker purchased liquor through Handley and this man Walker was convicted. In this connection, I should like to know who received the moieties in these cases, and what amounts were paid. Handley also sold smuggled cigarettes. I mention this in order to show the minister that a man without character, about whom the Royal Canadian Mounted Police presumably knew nothing at first, though they certainly did afterwards, a fugitive from justice from some other country where he was wanted for crime, was let loose throughout the lower Fraser valley where he deliberately went about offering either cigarettes or liquor to anyone he came in contact with, and if people were weak or foolish enough to fall for it, a report was then made to the police and they were picked up. This man offered cigarettes to one Kemp of the Pacific Bottle Company. The cigarettes were seized by the police and the man was convicted. Again, I would ask, who got

the moiety in that case? Handley purchased his liquor from a man in Seattle, and it would be interesting to know how he and others were able to cross the line back and forth with bottles, labels, colouring matter and liquor. I can give the names and addresses to show where the supplies were procured across the line. I want to know whether the immigration and customs authorities were aware of this man's identity when he was travelling back and forth. I am told, but I am not sure of it, that they were not. However, he purchased this liquor from a man named Anderson of Seattle, Washington, and he bought the colouring and flavouring from Lyons' drug store there. He even offered to sell narcotics. He was dealing in contraband cigarettes, liquor and dope. He left a tin of alcohol with a man named La Pierre, who lives on the border near Bellingham, and he was asked whether Eddie Tufts had asked him to smuggle cigarettes into British Columbia for him. During the adjournment of the first hearing of the charge under the liquor act, which was in May, 1934, Handley and Kemp went across the line and on their return endeavoured to sell moonshine to a man named J. Ross, who operates a hotel in the town of Mission, British Columbia, but were unsuccessful. At the time of his arrest on May 2, 1934, he had a bottle of moonshine in his possession which he had placed in an oil pit at a gas service station before his arrest. These two men, Handley and Kemp, worked together. I think I am correct in stating that Kemp was not exactly in the pay of the Royal Canadian Mounted Police, but Handley was: Handley was, I understand, receiving $150 but Tufts or Kemp was receiving moieties for the information laid before the police and they split on the moieties. Kemp's operations were along the same lines as those of Mr. Handley.

Another case not exactly of the same character is that of a man named Sawley. Sawley lived in the city of Vancouver. He was accosted one day and asked if he would like to make some money. Being idle and having been idle for a year and a half he naturally answered, yes. I am not going into all the details of how the contact was made, but to state the matter briefly, Sawley went out to a place a little beyond Abbotsford and there picked up several gallon tins of alcohol. He was successful the first time in reaching Vancouver with it, but on his second trip a week or so later he fell asleep at the wheel during the night for just a minute and his car went into the ditch and overturned. After he regained consciousness and got up, the first thing he did was to lift the tins of alcohol and put them up on the bank. His story to the chief of police, to me and to the neighbouring chief of police, repeated on three occasions, was that after he waited there a while, the Royal Canadian Mounted Police came along and seeing him on the roadside in the car, stopped. But the remarks which were made to him, according to his statement, are worthy of note. They said that they had been waiting for Sawley and as he was an hour and a half or more overdue, they thought they would set out and look for him. What I want to draw to the attention of the minister is this. If they had information regarding this man Sawley and were lying in wait for him coming from near the boundary line to the city of Vancouver, why did they not make a circle around that ring of men who brought the liquor across the line and transferred it from one car to the other which Sawley was driving rather than simply wait until the one man came along and pick him up? That aspect of the matter should be looked into, because they seemed to know all about this man Sawley and his operations.

I have many other cases, but I am not going to deal with all of them unless I have to; I have sworn affidavits and information in connection with a whole raft of cases. Somebody suggests that I use the word "declarations." I will call them declarations so that we may not split hairs between a man's affidavit and his declaration.

The next is a radio case which I think is fairly serious; it is to me rather an outstanding case. This man was afterwards interviewed by one of the provincial police force who went to see him. It appears that some time in February or March, 1934, Herbert Handley came into the store and looked at a small pocket radio which this Mr. Nemetz wanted to get rid of as there was no sale for such a thing. He offered it for $10 to Mr. Handley. Handley mentioned some names as references, took the radio and was to bring his own back in exchange. He came back in a few days with a small radio which he said he would give in exchange for the one he took away and he told the storekeeper Nemetz to try it out. A short time after Mr. Handley, the under cover man, had left the store, two men walked in, looked at the same radio pretending they wanted to purchase it, and made some inquiries regarding its qualities. They had no sooner left than Constable McDuffie and another man walked in and seized the radio as a smuggled one, as the duty had not been paid. Nemetz saw Handley the same afternoon at the corner of Twelfth street and Victoria drive and told him what had

happened, but Handley said to Nemetz to pay the duty and just forget all about it. I am going to ask a question at this point in connection with this case, because I hold in my hand the receipt which was given by the Royal Canadian Mounted Police to this man Nemetz. It reads:

Received from Leo Nemetz at New Westminster, B.C., this 23rd day of February, 1934, pending decision, the sum of $44.96, on account of charges against Leo Nemetz, for contravention of the Customs Act.

My question in regard to that would be: Is it the regular procedure of the Royal Canadian Mounted Police to seize goods that come in illegally, take the party before them, hold a little court, impose a fine and let him go? That aspect of the matter should be looked into. The serious part of the whole affair however is that this man was permitted to go around freely offering these goods, either cigarettes or moonshine or alcohol or radios, all brought from across the line, and no sooner would he find a victim, shall I say, than information would be sent on to the mounted police who would come along and pick the man up, after which I understand moieties were paid to the informers. I stated the last time I was speaking in regard to this matter and I say again that it looks as if some kind of plot was in progress to build up cases in order to show what wonderful work the mounted police were doing. In speaking about these cases I do not want to be misunderstood or regarded as one who is ready to besmirch the good name of the mounted police. I think the cases I have mentioned besmirch their name without my doing it, and I might say in British Columbia the word of these men is not now being accepted by the judiciary. In fact this man Handley was called "a blatant liar" by the judge in the court, which is very strong language for a judge to use against any man.

I have before me another case with which I am not going to deal. Kemp and another man had guns taken away from them at the border where they had some alcohol in their car. Working for the mounted police they had two other men covered and were going to arrest them when a farmer opened the door of his house, pointed a shotgun at the two of them and took the gun off each. That matter was the subject of a little bit of ridicule and it did not enhance the reputation of the mounted police in any way.

Mr. GARDINER: Did they get their guns back?

Mr. REID: I am not sure whether they did. I think the cases I have mentioned are serious enough to warrant some investigation or inquiry being made. I am one of those who believe the duty of the Royal Canadian Mounted Police is not to go around looking for bottles of whisky or offering liquor to people in order to sell it to them and afterwards report them. We have municipal and provincial police handling liquor cases, and fairly efficiently, I believe. I say from experience that never yet have the mounted police cooperated in any way with the municipal police. As a matter of fact when I was reeve of a municipality and we endeavoured to get their cooperation, we were told that their work was secret and no tips or information could be given out to the municipal police, but they would be glad to get all the tips and information possible from the municipal police. I say that in all seriousness because as I mentioned a few moments ago I have had personal experience of their operations. I think the method of all this secret work and all these under cover men should be looked into, and the whole system readjusted and put on a better footing. We had a case not long ago of one member of the Royal Canadian Mounted Police who joined the ranks of the communists and obtained information. If they have regular men on the force who can do that they shoud have regular men who can look after contraband or excise in a proper way. But when they hire men with no reputation at all, whose word no one would believe on a stack of bibles, men who are wanted for crime in other countries and have come to this country under questionable conditions, and knowledge of these facts is given to the mounted police and little done about it, I think the committee will agree that the situation is serious indeed. My view is that if the Royal Canadian Mounted Police paid more attention to dope running, especially on ships coming from the orient to Vancouver or New Westminster, instead of all this activity in regard to liquor, it would be more to the general advantage.

I would like to know whether this man Handley is now in gaol or whether he has been deported. Also the total moieties paid to these men. I do not think that should be considered secret. Also, did the mounted police pay the court expenses of these men Handley and Kemp? Handley could not raise the fine anyway, and I understand he was put in gaol, but whether he is there at present I do not know. In view of the fact that these under cover men are in touch with United States interests, are able to obtain gallons of liquor or moonshine or gin, bring it back into British Columbia, offer it to others so that they may go into

the business, and then immediately report them to the Royal Canadian Mounted Police, I cannot find words strong enough to condemn such a system. In my opinion these practices should be absolutely stopped, and until the municipal or provincial police call on the mounted police for assistance to carry on what is the ordinary police work I think they should stay outside the municipalities and not be carrying on this work and without the knowledge of the authorities.

Mr. GUTHRIE: I have listened with a great deal of interest to the statement by my hon. friend, and I regret to say that I cannot defend the actions of the two men that he has been discussing here this afternoon. Some weeks ago my hon. friend gave me an intimation that he was going to discuss the cases of Handley and Tufts alias Kemp, and I had inquiry made and a report prepared in regard to them. I have to admit that in these instances, out of our force of some 2,500 or 2,600 men, we did unfortunately get two black sheep. Handley was taken on as an agent, I think for about three months. The other man never was on the strength in any way, shape or form, but was evidently what they call a spotter, and he received some portion of the fines which were imposed in the cases with which he dealt, which we call a moiety of the fine. I am sorry I have no record of the amount that he received in that respect. We have to write to British Columbia to get that. I shall endeavour to get the figures for my hon. friend.

The mounted police in British Columbia have but a limited jurisdiction, similar to what they have in Ontario and Quebec. In the other provinces they are the police force of the province under agreement with the province, but not so in British Columbia. In that province the duty of the mounted police simply is to see to the enforcement of the Excise Act, the Customs Act, the Opium and Narcotic Drug Act, and any other dominion act that they may specially be required to enforce. But they have nothing to do with the enforcement of the ordinary criminal law of the country or of the provincial liquor law. This man Handley was employed as a secret agent without knowledge of his past history. It is true that after three months' experience with this man he was arrested with his running mate, Tufts, on charges laid against them by the local police, and was condemned to a fine of $500 with alternative of six months in gaol. Both of these men I understand are now serving their term of imprisonment. My information is that the department took no part in their defence whatever, paid no money for it, and was not in any way connected with it. I think for the information of the committee I had better read the report. It is largely in corroboration of the statements I have already made, but it is not very long:

With regard to Handley, before he became a paid agent of the force, he apparently had sold to or purchased liquor from Wong Sam.

After becoming a paid agent in this force, he caused a seizure of illicit liquor to be made under the Excise Act from Wong Sam.

Whilst the excise case above referred to was before the courts, the provincial police of British Columbia took action against Handley with respect to the first transaction referred to in this memorandum in the dealings between Handley and Wong Sam.

Immediately Handley's action with Wong Sam was brought to light through the charge by the provincial police, Handley was dismissed from the Royal Canadian Mounted Police.

In so far as Handley is concerned, before he was engaged by the mounted police, enquiries were made respecting his record in Canada and United States, but no enquiries were made in England or Australia, although Handley was questioned respecting his record in those countries. He not only lied to the Royal Canadian Mounted Police, but also to his own counsel, Mr. L. H. Jackson, and therefore his criminal record in those countries was unknown to the force, and the Royal Canadian Mounted Police admit that in these particulars, his record was not fully investigated, and that he should not have been employed.

Emphasis is placed upon the fact that Handley had committed his wrong-doing before he actually became a paid agent of the Royal Canadian Mounted Police, and he was immediately dismissed as a result of the charge by the British Columbia provincial police.

With regard to Tufts, alias Kemp, this man was not a paid agent of the force, but was simply an informer who had been giving independent information and for which he was paid separately in each instance.

For the past seven years, he had supplied information to the preventive service on a moiety basis.

The charges against Handley and Tufts under the British Columbia Liquor Control Act was disposed of and both accused were convicted by Police Magistrate Darling at Brighouse, B.C., on April 28, 1934, the maximum penalty of $500 fine or, in default, six months' imprisonment being imposed in each instance. The sentences were appealed but the convictions were upheld.

My information is that both men are still in custody. Now the greatest care is taken in the selection of men for the mounted police force. All possible precautions are taken in regard to the history and conduct of men who are taken on, but occasionally we have one put over on us, just as in other businesses. In this case I am satisfied that we had two highly undesirable men, one taken on the force and the other used on the moiety basis

as set out in that report. I think their conduct was infamous; as soon as it was discovered they were both cast adrift, and are now in prison after prosecution by the local police.

The Royal Canadian Mounted Police do not interfere with the local police; their sole duty is to look after the revenues of the crown in regard to customs and excise, but as my hon. friend knows there are occasions when the city police call upon them for assistance. Many times in Vancouver, sometimes in Toronto and sometimes in Montreal they have been called upon by the civic authorities, and they are always very ready to give their assistance when so called upon, but they do not interfere with the operations of the municipal or provincial police in these provinces.

The question of the employment of under cover men in connection with liquor cases is one upon which there are evidently two opinions. For instance, in the province of Manitoba where the Royal Canadian Mounted Police have authority as provincial police, the provincial liquor board maintains from twelve to fifteen under cover men, plainclothesmen, simply for the purpose of seeing to the enforcement of the liquor act of that province; that is their business. The mounted police operate in the same way, but they not only seek to enforce the liquor act of the province of Manitoba; they look after the dominion customs and excise laws also. We look after the work altogether in Saskatchewan and in Alberta; in the maritime provinces also the enforcement of the provincial laws is in the hands of the Royal Canadian Mounted Police. For the purpose of enforcing provincial acts it always has been the custom, I believe, to employ plainclothesmen, inspectors, spotters or whatever you may call them. They do it in Ontario, where they have a host of them; I think they use them in Quebec also, but in the maritimes and in two of the western provinces that work is left to the mounted police. That is looking after the retail end of the business, if it may be so called; it is not in connection with the revenues of the dominion but in connection with the revenues of the liquor board of the province. It is a custom that has prevailed throughout Canada, I believe, and in the United States and England for many years. Special means have to be adopted to prevent the illicit sale of liquor and to prevent breaches of provincial or dominion liquor laws. Occasionally a case of hardship arises; occasionally a case of wrongdoing arises, as in the cases cited this afternoon, but on the whole the system has not worked badly; on the whole smuggling has been pretty well checked up, though not stopped by any means. Excise has been pretty well collected, though breaches of the laws still continue. I think it is the desire of everyone that the laws of the land, whether provincial or dominion, should be enforced to the limit, and for the purpose of enforcement, particularly in regard to liquor laws, plainclothesmen, stool pigeons, spotters or whatever you wish to call them have been employed, I think, for generations. They are still employed. Whether or not the practice should be continued I am not going to say, but I regret that I have to state that in the cases of the men mentioned in British Columbia, their records were bad. They put it over the police badly when they were taken on, but their services were dispensed with as soon as their records were known, and I am glad to say they are both in gaol now paying the penalty.

Mr. REID: The minister said it was unfortunate these two men had been engaged, but I would direct his attention to the fact that this kind of thing is not yet finished. There are other men under the Royal Canadian Mounted Police operating now through the valley, doing exactly the same thing, men with reputations just as bad as Handley's.

Mr. GUTHRIE: Can my hon. friend furnish me with their names?

Mr. REID: Yes, I will.

Mr. GUTHRIE: My hon. friend need not do it openly; he might be good enough to do it by letter.

Mr. REID: I certainly will; I will give the names and the cases, where men are doing exactly the same thing. From the statement of the minister one would almost infer that after these cases were drawn to the attention of the police this practice had ceased, but that has not been the case.

Mr. GUTHRIE: No, I did not say that.

Mr. REID: The practice of engaging men of no character, to carry on the business that was carried on by Handley and Kemp—

Mr. GUTHRIE: It is these men of no character and no principles, who adopt unfair methods, that we want to know about, and if my hon. friend will give me the names I will look into the matter.

Mr. REID: I will take the first opportunity to give the minister the names, cases and full particulars. These men are inciting people to purchase moonshine, bottle and label and sell it, and later the Royal Canadian

Mounted Police come along and pick them up. I have a case under my hand which occurred this year, which I will pass on to the minister. The hon. gentleman spoke of the necessity of stool pigeons, and I should like to make this suggestion. There are municipal, provincial and mounted police in the province of British Columbia, though the mounted police have not the same responsibility they have in other provinces. Could not many of these men be used? Their work is police work they are men of some character, and only a few of them are known outside Vancouver. Of the two or three hundred men you have in Vancouver could you not occasionally send out different men through the valley? Why take men whose word is no good at all? One of the serious objections we make is that it is not the Excise Act they are endeavouring to enforce. According to my understanding the Excise Act would apply if a man brought kegs or barrels or tins of liquor across the line in contravention of the customs act.

Mr. GUTHRIE: No, the Excise Act has to do with illegal manufacture.

Mr. REID: There is some distinction between keeping unsealed liquor, which is under a provincial act, and keeping contraband.

Mr. GUTHRIE: There is a good deal of distilling going on that is illegal, and that is an excise matter. Bringing liquor illegally into the country is a customs matter, perhaps an excise matter also. Primarily, however, excise has to do with manufacturing in Canada, distributing in Canada or having in possession illicit liquor.

Mr. REID: I know in regard to stool pigeons it has been the common practice—for one municipality—to ask a neighbouring municipality for the loan of a policeman who would not be known to the person suspected, and in most cases they have been able to obtain the necessary evidence and conviction. I suggest to the minister that the regular men in the police force should be used. If things were very bad you could bring a man from Calgary or you could use provincial or municipal police. But at present I maintain there is no cooperation between the mounted police and the municipal police. They work independently of each other; that was why these men were picked up. The municipal police were not aware that these men were in the pay of the mounted police. I would plead with the minister that instructions be sent out to see that there is more cooperation with the municipal police.

[Mr. Reid.]

Mr. GUTHRIE: We extend all the cooperation we can, but we have to receive a request before we can do anything. The instances which I cited were all instances in which we had direct requests either from the heads of the municipal police or from the attorney general.

Mr. REID: I will be glad to send the information to the minister.

Mr. BELL (Hamilton): The hon. member for New Westminster has opened up a question which is so wide in its ramifications that it extends far beyond his province, and perhaps it is something that he does not altogether appreciate or understand. It applies to every province in the Dominion of Canada; it applies to every place in the United Kingdom or in the British dominions where the question of detection by police officers is considered in respect of any breach of the law.

The hon. member for New Westminster has addressed to the Minister of Justice a number of questions in connection with the behaviour of certain men who have been members of the Royal Canadian Mounted Police, and the minister in that frank and straightforward way which is one of his outstanding characteristics—

Mr. LAPOINTE: Hear, hear.

Mr. BELL (Hamilton): Is there anyone who challenges that?

Mr. LAPOINTE: No; we say "Hear, hear."

Mr. BELL (Hamilton): It was challenged yesterday, but to-day we are having a stag party. The minister has stated that no encouragement has been given to the men who in the name of the law are misconducting themselves in that province. That is an important point, but it is by no means the most important.

The most important question which may come before this parliament or before any other body charged with the duty of enforcing laws is as to whether or not we may get into that system, that very discredited system, of having men employed by government officials or by government organizations acting in the capacity of what the French call agents provocateurs, men who feel that there are weak persons in a community who, although having no intention of committing a criminal breach of a law, if approached and subjected to the suggestion that it might be to their advantage to become criminals, to that extent would lend themselves to such a suggestion in the hope that they might profit by it.

A number at least of those persons to whom the hon. member for New Westminster has referred are apparently persons who have been approached in that manner. Quite a number of years ago this particular question was discussed in a number of leading cases in England. The late Mr. Justice Armour, son of the great Chief Justice Armour, who unhappily died just about a year ago, made a collection of cases which in the last few moments I have tried to obtain from the library, but upon which so far I have not been able to place my hands. The sum total of what was investigated and considered in the highest courts of the British empire was this, that if you know a man is planning to commit a breach of a criminal law there is nothing wrong in, shall I say, leading him on to commit that offence which in any event he intends to commit. You may put him legitimately in such a position whereby whilst in the commission of the offence he may be taken in flagrante delicto and made to pay the full penalty for what he has done.

How different that is from going to a man who is known to have poor resistance, perhaps almost of weak mentality, but for whatever reason at all events is exposed to a maximum of temptation with a minimum of resistance, and inducing him to commit a crime he never contemplated, one which found its being in the mind of a police officer who has found this man an easy subject and who has said to himself, "If I can induce that man to commit the crime I will profit by promotion, or otherwise, and thereby increase my personal advantage."

It seems to me the great point to be considered whether it be in connection with the Royal Canadian Mounted Police, the provincial police, the municipal police or any other police body is that this parliament shall not only not tolerate but shall look with abhorrence upon the act of any person who conducts himself in that way, with an idea of inducing a man to commit a crime in order that a certain police officer may profit by so inducing the man, and then arresting him and making him pay the penalty. If I follow correctly the remarks of the hon. member for New Westminster at least three or four of the incidents he related to the committee were as I have indicated. If they were, no condemnation could be too strong for them. If they were, no steps that this parliament could take would be too drastic to put an end to that sort of thing. If the hon. member has suggested to the committee that that has been the animating motive behind the mounted police who have operated in British Columbia, then I suggest that all other possibilities of investigation into police activities which have been mentioned pale beside the necessity for an investigation of this evil.

It has been stated over an over again, and unhappily I am forced to believe it, that the mounted police in Canada have at times been employed in approaching unfortunate drug addicts who, with their craving for morphia or heroin have been unable to resist the suggestion that they should obtain it by any means in their power. The police have egged them on to take the drug and then have made arrests, sending those people to prison. I would like to think this is not so, but the suggestions that such things have happened are very strong, very positive and have been repeated many times. I am glad to note that the government has seen fit to allow an investigation into the activities of that body, and I hope when that investigation takes place this particular branch will not be neglected. I hope that the canker worm that has apparently crept into the activities of that body in British Columbia will be found on investigation not to have extended to other provinces. But may I suggest to the hon. Minister of Justice, who is ever alert to stop abuses and to protect the rights of those who are affected by them that he can serve no more useful purpose than in determining in any investigation that may be undertaken in the near future whether or not those abuses of which my hon. friend from New Westminster has spoken have travelled, so to speak, under the surface of the ground into other provinces as well. I think the hon. member for New Westminster is to be commended for bringing a matter of this kind to the notice of the house, and I only hope that the department of which my hon. friend the Minister of Justice is the honoured head will see that any investigation to be undertaken shall be thorough and comprehensive, that these abuses shall exist nowhere else.

Mr. POULIOT: If the hon. member for West Hamilton (Mr. Bell) is ready to act as investigator with the same solemnity as he spoke just now, may I urge his appointment upon the minister?

Mr. BOUCHARD: Mr. Chairman, fortunately I represent a constituency where the police force have very little to do. We settle our cases among ourselves, and I have no complaint against the mounted police. On the contrary, every time I have come in contact with them I have been very pleased with the courtesy they have shown me. I would be the last one in this house to raise any prejudice or any cry of race or language

or anything of that kind, but I should like to refer to the celebration that took place in Gaspé last year of the four hundredth anniversary of the discovery of Canada. I heard quite a number of remarks about the inability of the mounted police who were there to answer in French questions that were put to them for information. I suppose that in this able body there are a number of French-speaking officers. I have no objection whatever to the high officials of the mounted police, who of course have not very much to do with the French-speaking population, being English-speaking, but on an occasion such as that at Gaspé last year it seems to me that it should have been foreseen that we would have a very distinguished gathering from France, and in fact, Mr. Chairman, it was perhaps one of the most distinguished delegations that has ever visited this continent from France. These people came to that celebration with the idea of meeting on the spot French-speaking people and French-speaking officers, but the impression that was created upon them was the contrary of what one might have expected. I say that not in any spirit of complaint because I know that the festivities were organized in somewhat of a hurry, and I do appreciate very much the good order that was established within a few days in the nice little city of Gaspé, but I think that when a celebration like that takes place in the future a little consideration should be given to the aspect of the question that I have mentioned. As I said at the outset, it is with a little reluctance that I bring this matter up here at all, but it is from a sincere desire to avoid in the future remarks such as I heard on that occasion.

Mr. GUTHRIE: I am very glad that the matter has been called to my attention because the occasion to which my hon. friend refers was a rather special one. At the request of the committee in charge of the celebration, and also at the request of the department of the attorney general of the province of Quebec, a special detachment was sent to the province for that particular occasion. The only detachment that was available was in Ottawa, and of the number sent from here there were five French-speaking out of the twenty-five, and that was all they could afford to send. There are about seventy-five French members of the force in Quebec, some of whom were engaged on their regular duties, but as many of them as possible were stationed where the celebrations took place. The additional force sent comprised about twenty-five officers and men, and they came from the reserve at Ottawa.

Mr. BRADETTE: May I ask the minister if the so-called communist schools are authorized in Canada. There have been several newspaper articles which I do not intend to read to the house, in both the English and the French press, stating definitely that there are communist schools in different sections of the country. I believe I am right in saying that there is one in Montreal and another in the Porcupine section, and one outside the city of Toronto, which has often been mentioned in newspapers. These schools so far as their literature is concerned are absolutely for the abolition of the established order of things in this country. They are trying their utmost to destroy labour unions, industry, and the present system of government. Has the minister received any information from the Royal Canadian Mounted Police as to the activities of these schools, and are these schools authorized by the government?

Mr. GUTHRIE: I would have to refer my hon. friend to the minister of education in Toronto to find out whether they are authorized or not because education, of course, in the schools comes exclusively within the jurisdiction of the provincial authorities. Personally I do not think they are authorized but I would not like to make a definite statement on the question because the matter would be entirely under the authority of the province.

Mr. HOWDEN: Just for information I would ask the minister if this item is by way of insurance or if it is a fund from which indemnities are paid to members of the force who are injured.

Mr. GUTHRIE: It is a fund in the nature of an insurance fund from which a man who becomes injured is entitled to compensation.

Mr. HOWDEN: Does a man have to contribute to this fund?

Mr. GUTHRIE: No, there is no contribution by the men.

Mr. POULIOT: If on looking over the newspapers and other publications in this country I find some communist propaganda, does the minister think it would be the right thing for me to send it to the commissioner or to himself?

Mr. GUTHRIE: Well, I know the commissioner receives a great deal of questionable literature published in magazines and newspapers. A great deal of it is sent direct to

me, and I at once refer it to the commissioner. There is a great deal of it published in Canada, I must admit.

Mr. POULIOT: Then I shall find it my duty to send to the hon. gentleman a complete edition of all the speeches made by the Prime Minister in January and February last.

Item agreed to.

RAILWAYS AND CANALS

Welland ship canal—To provide for settlement of claims, totalling $126,696.09, of Collingwood Shipyards Limited, in connection with contract No. 27896, entered into December 23, 1929, for the construction of a pontoon gate lifter, $16,426.06.

Mr. POULIOT: Do foreign ships going through that canal pay any toll?

Hon. R. J. MANION (Minister of Railways and Canals): No; there are no charges on any ships going through the canal.

Mr. POULIOT: There should be a tax on these ships, and I make that suggestion to the government; it has already been made. There is no reason why foreign ships passing through Canadian canals should not pay a tax. This is a humble suggestion I offer the government. The hon. gentleman complains that he gets no suggestions from this side. This is one. We have to bear the whole burden of taxation, and I think that ships of foreign registration, enjoying the same facilities as ships registered in Canada, should be taxed.

Mr. MANION: There is no doubt that the suggestion made by the hon. gentleman has been considered from time to time. Last year we had a lengthy debate in the house on this very question; in fact, the whole question of tolls on canals was debated on the motion, if I remember rightly, of the hon. member for Muskoka-Ontario (Mr. McGibbon). Unfortunately it was found—and I looked into the question thoroughly at that time—that the practice of levying tolls, up to about 1904, had not been a paying proposition. As regards charging a toll on foreign vessels alone, the question has been looked into from the standpoint of treaty rights, international obligations and so on, and it has been found that we cannot charge tolls on foreign vessels without also levying them on Canadian ships, owing to international agreements which Canada has with other countries. I cannot give the details at the moment, but that is the fact. Even when tolls were charged, about thirty years ago, the income was so small that it was not of sufficient importance to warrant charging them, and it had the effect at that time, as it would have again, of diverting a great deal of traffic down through the Erie canal and New York instead of through Montreal and Canadian ports. I am sure the hon. gentleman makes the suggestion in good faith, but we have looked into the matter thoroughly, as have past governments, and it was considered by past governments as well as by this administration that the proposal is not feasible.

Mr. LAPOINTE: There are five or six items to provide for settlement of claims in connection with contracts dating back some years ago. How were these settlements reached? Were these contracts the subject of litigation, or were there arbitrations?

Mr. MANION: There are altogether seven or eight claims and we are now dealing with the last one. These companies received construction contracts during the past twenty years in connection with the Welland ship canal, and I believe that most of them were given by the late government or the one that preceded it.

Mr. STEWART (Edmonton): Most of them by the last government.

Mr. MANION: Yes; I merely mention that as a matter of fact. These contracts were for huge amounts. The first item, No. 84, concerns a contract with the J. P. Porter Company. That contract was for $11,376,000, and I think it goes back to about 1924 or 1925. It was for a substantial amount of work on the Welland ship canal in accordance with unit prices, and when we came in we simply carried on the contracts. I do not think there were any changes of importance. When the Porter company had completed their work—and this applies to all these settlements—they put in claims for extras amounting to a little over $571,000. These claims were later revised, being reduced to $384,000; and after a discussion with the engineers, going into each case very completely, I came to the decisions which are indicated here. The original claim of $571,000 in the case of the Porter company was cut down to a final settlement of $110,000, though the amount shown here is not $110,000 but $89,000 odd, the difference consisting in settlements which could be made in connection with unit work or something of that sort. It was considered that in this, as in the other instances, the company had an equitable claim to the amount decided upon, representing the difference between the legal claim and the other. Without naming the other companies, it might be interesting to give the amounts of the original claim in

each instance together with the final settlement. There is a claim for $250,000, settled for $9,800; a claim for $828,000 settled for $40,000; a claim for $63,000, settled for $18,000; a claim for $393,000, settled for $50,000; a claim for $126,000—not quite $127,000—settled for $20,000; a claim for $1,288, settled for $939. The last one, with which I had nothing to do, was settled by the officers themselves. It was for $3,000 and was settled for $1,500. So that the settlements were exceedingly satisfactory; in fact, I do not mind saying that most of the companies made strong complaints.

Mr. STEWART (Edmonton): Does this complete the construction cost of the Welland canal or are there still some items outstanding?

Mr. MANION: We have a small amount for the Robertson company—No. 87—and they have not settled. The Robertson company have put in a claim for $393,000 altogether and our item is $37,000 odd. When we were making the settlements, being anxious to dispose of all of them, we found that the manager or president, or whoever the responsible official of the company was, was not in the country. The official who the company felt should deal with the matter for them was in Europe and therefore did not discuss it with the engineers. Therefore that is not a settlement, but we have put in a figure that covers what we consider is their legal claim. Most of them are settled except in the case of a couple of companies, one being the Peter Lyall Company about which my hon. friends opposite know something and the ex-Minister of Railways would know a good deal. They make a rather heavy claim in regard to some alterations in labour prices. The contracts stated that they were awarded on the basis of certain labour prices and the Labour department of the former government raised the wages. The Peter Lyall people have put in a claim amounting to something like half a million dollars; I am speaking again from memory. This was submitted to Mr. Justice Maclean, not as a regular case but for his opinion. He gave a sort of umpire's decision rather favourable to the Lyall people, but the matter has not yet been settled, and it has not been included in any of the settlements here. Outside the Lyall claim and some others that might be contingent upon a settlement of the Lyall claim on the same grounds, I believe most of the claims have been settled. By the way the total cost of the Welland ship canal is in round figures $130,000,000; I thought somebody might ask for it.

[Mr. Manion.]

Mr. STEWART (Edmonton): That is up to date?

Mr. MANION: Yes.

Mr. REID: For how long are the international agreements? Those are the agreements signed whereby ships from the United States and other foreign countries can go through the canal free.

Mr. MANION: I should have said international trade treaties; they are full treaties. Perhaps I used the word "agreement" wrongly. They are treaties between Canada and such countries as for instance Holland. I remember that the ships of Holland were drawn to my attention as those upon which tolls should be paid. In looking into the matter I found that the number of vessels coming from foreign countries apart from the United States were so few that the tolls would not amount to anything substantial. Our canals to-day will permit vessels only 250 feet in length to traverse them, except the Welland ship canal which is built midway between the others so that it was rather an unwise piece of building without extending the depth and length of all the other canals in unison with it. But it was begun some twenty-two years ago and it has been carried on by every government since that time, with the exception of a short period during the war, so that it was practically a continuous affair.

Mr. LAPOINTE: It was a continuing sin.

Item agreed to.

Railways and Canals—Chargeable to income—canals—improvements, $518,820.

Mr. REID: Representations are now being made by many railway employees and the question they are asking is: Will all railway employees come under the eight hour day? Will that be in force so far as the railways are concerned? I have had quite a few communications within the past few days and I thought I would draw the matter to the attention of the minister.

Mr. MANION: That does not come under the estimates of my department, but I have no objection to answering my hon. friend's question so far as I can. Perhaps he will remember that when the eight hour day bill was before the House of Commons, it was piloted through the house by the Minister of Labour. At that time the railway managements and the railway unions waited upon the Minister of Labour and some of the other ministers concerned; I think the Minister of Trade and Commerce was present with the

Minister of Labour. They submitted to the ministers concerned, the Minister of Labour in particular, that they had come to some sort of understanding whereby the eight hour day would not apply to railway employees until a year had elapsed. If I remember aright—and I am speaking subject to correction—when the bill was before the house an amendment to that effect was adopted. The bill is now before the other chamber, and I have heard complaints from unemployed railroad men—and my hon. friend no doubt has also heard them—arguing that the eight hour day should come into force forthwith on all railroads. However that matter is subject to the decision of the other chamber and also to what is done with the bill when it returns to this house. That is the situation to-day so far as I remember and understand.

Mr. CAMPBELL: There is a large increase in this item. Would the minister explain it?

Mr. MANION: There are a number of large items. For example, I will give a couple of them. On the Rideau canal close to the city of Ottawa there is at Hog's Back a dam and a lock which are exceedingly old. I believe the old lock and dam were built a hundred years ago when the Rideau canal was constructed. These have now got into such a condition that they must be rebuilt, and $143,000 of the increase is for that.

Mr. BOUCHARD: Let it be "damned" again!

Mr. MANION: Yes; there are many who think the whole Rideau canal might be damned. But there are a great many people who use it for pleasure craft and since it has been in use for a hundred years, I hope we will be able to continue it as we have. My engineer reminds me that I have now the tourist travel bureau under my jurisdiction, and therefore being an advocate of the tourist business, I hope to see the canal continue.

Mr. COOTE: As regards the canal at Hog's Back, is it the duty of the government to maintain those bridges? If so, would they not consider putting in a wider bridge?

Mr. STEWART (Edmonton): They might straighten them too.

Mr. COOTE: At the present time there are one or two of those bridges over which only one car can pass at a time; it is one-way traffic; the traffic has to go one way for a while and then the cars going the other way have a chance to cross. This causes great congestion at certain times. Surely the government could afford to put a little wider bridge there.

Mr. MANION: The bridge is being widened to twenty feet. A hundred years ago when it was built, there was not quite so much automobile traffic as there is to-day. A foot bridge is also being constructed and the bridge is being straightened so that my hon. friend's suggestion is being carried out.

Mr. MUNN: How are they getting along with the Trent canal? Are there any capital expenditures on that?

Mr. MANION: There are no capital expenditures, but there is some expenditure. For example there are repairs such as dredging, drilling, blasting at Bobcaygeon. There is replacement of the swing bridge opposite lock 19 at Peterborough. That is being done in association with the provincial government. It is costing $40,000 and we are contributing $25,000. There are a number of other items. There is no capital expenditure in a sense, although there is expenditure amounting altogether to $142,800 on the Trent canal.

Mr. MUNN: Could the minister without too much trouble tell the committee what the yearly expenditures and receipts are?

Mr. MANION: The receipts outside electrical contract receipts are nil. I mean we have no toll charges on the Trent canal any more than we have on the other ones. But we get about $90,000 from electrical contracts in connection with water powers on the Trent canal.

Mr. MUNN: What are the annual expenditures?

Mr. MANION: They run at the present time less than they used to because there was more money spent upon it in various buildings of one kind or another, but for the last few years the annual expenditure has averaged, including operation and maintenance, about $200,000.

Mr. MULOCK: Is that contract for $90,000 still in effect and, if so, how long has it to run?

Mr. MANION: Which contract?

Mr. MULOCK: The one under which the government gets $90,000 a year.

Mr. MANION: That is not an individual contract; there are a number of electrical leases that bring in a total of $90,000. There are very many of them and some are with the Ontario Hydro Electric Power Commission.

Mr. DONNELLY: How many tons of freight go through the Trent canal?

Mr. MANION: Very few. It is practically altogether used for tourist and pleasure boats. There is a slight quantity of freight, but it is very little.

Item agreed to.

Board of railway commissioners: maintenance and operation, $228,648.

Mr. BRADETTE: Under this item perhaps I may bring to the attention of the committee a grievance of our section of the country that has existed for some years, namely the disuse of the national transcontinental from Quebec to Winnipeg. I listened very attentively some days ago to an hon. member from British Columbia urging preferential freight rates to the Pacific coast. But the same arguments apply more forcibly to that section of the Canadian National line from Quebec to Winnipeg. I brought this matter before the house when I was sitting on the government side and on several occasions since. So far not only have we not had these complaints remedied by the present government or the board of railway commissioners, but services have been further curtailed. Through passenger service is nil. In the spring of 1931, after this present government took office, there was curtailment of the passenger service so well given by trains Nos. 1, 2, 3 and 4, and to-day the Canadian National has entirely lost all that traffic in that section. And since 1929 we have not had any through freight service. This line is really the missing link as far as the national railways are concerned. I make this appeal to the committee for the very good reason that it is useless to make it to the railway commission; we have tried that in the past, so the last court to which we can appeal is this committee and the Minister of Railways. I appreciate the statement made by the minister a few days ago that he is not in favour of amalgamation, but so far as the national transcontinental in our section is concerned there has been a thorough process of elimination. Within a few years the rails will be rusted and the line useless on account of absence of traffic which that road is absolutely entitled to have.

I do not think this is the time or place to review the past history of that part of our railway system, but every hon. member is familiar with the fact that there are no better grades on any railway in this country. More than that, when Sir Wilfrid Laurier introduced the legislation to provide for the national transcontinental on July 30, 1903, speaking of the link covering the northern section of Ontario and Quebec he used these words:

> This new railway will be another link in that chain of union. It will not only open territory hitherto idle and unprofitable, it will not only force Canadian trade into Canadian channels, it will not only promote citizenship between old Canada and new Canada, but it will secure us our commercial independence, and will forever make us free from the bondage of the bonding privilege.

I well remember only a few years ago commending the present minister when he severely criticized the condition under which our grain was finding its way to American seaports for export. Although this is not the case in such large volume now, because we do not export so much grain, nevertheless the fact remains that a large quantity of all grains is still finding its way to the ports of the United States, while at the same time we have one of the finest sections of the Canadian National system absolutely idle. More than that, I believe that the present government is responsible for a certain amount of prejudice against our section. Only a few weeks ago I was reading an editorial in an Ottawa paper in which the question was asked, Why use that section of railway, passing through a country that produces only Christmas trees? Let me remind the committee that the northern sections of Ontario and Quebec are among the very richest in our country. I should like to see some of those writers try to cut down some of these small "Christmas trees." We have in my riding alone three great newsprint mills, at Iroquois Falls, Smooth Rock Falls and Kapuskasing.

It takes more than Christmas trees to keep them going. When by the national transcontinental that section of the country was opened up we made a great capital investment. I am sure that no section of our population begrudged the building of that railway. But a certain amount of prejudice has been fastened on our section on account of the attitude of the present government. We fervently hope and expect that the passenger service on the national transcontinental will be reestablished. I am not a railway man but I am told by people well versed in the matter that as far as that line is concerned, through the discontinuance of the service since 1931 by the national trains from Quebec to Winnipeg, they have practically lost all the through passenger traffic that they had. Furthermore I am positive that they have lost all the through passenger traffic going west from our own section of the country, because the people resent the fact that that service has been cut off, and when people from Cochrane and Kapuskasing and neighbouring towns want to go west they have to go a roundabout way. I believe the statement cannot be contradicted that as far as our section of the country is concerned all the

passenger traffic has been lost to the Canadian Pacific. If that is cooperation it is not the kind we believe in. We fully realize that there is a railway problem, and that problem is too great to be dealt with on party lines. We fully realize that every hon. member must give that question his most careful and intelligent consideration. But I maintain that as far as the national transcontinental is concerned it never came into its own, it never got a chance. From the time it was built to the present day the rates have been discriminatory. For instance when the road was completed in 1916 it was able to quote a rate of six cents per bushel on wheat from Armstrong, a station in the Thunder Bay district almost due north of Fort William and Port Arthur, to Quebec city, a distance of 959 miles. Then something very mysterious happened. After it was shown by actual test that grain or cattle could be hauled more economically on that section of the road than on any other section, discriminatory rates were instituted against us; as a matter of fact the rates proved to be not only discriminatory but practically prohibitive, and as a result the expected volume of traffic did not develop and has not developed since. In 1931 the Quebec harbour commission made representations to the board of railway commissioners complaining about the rate of 20·7 cents per bushel from Armstrong to Quebec. An investigation was held by the board in Quebec city, with the late Hon. Frank Carvell presiding, and during that hearing there were certainly some very extraordinary arguments advanced. Here is the verbatim comment of Mr. Carvell:

> If my conception of the national transcontinental was right, when it was started and when it was being built, I think freight can be transported over that line at a figure which would mean the absolute ruination of other railways in Canada. If not, we were all wrong and we were not justified in building it.

So it seems a very strange anomaly indeed, in these times of the new deal, that we do not take the line of least resistance and that the railway commission do not find it possible to have all our grain routed over that section of the road, at least during the winter months, since at the present time that line is being used only for local traffic.

It is not my intention to take up very much of the time of the house; I believe the people throughout the country are fully seized of the problem. This also hurts the maritimes. There are many members on both sides of the house coming from the maritime provinces who have deplored the fact that the harbours of Saint John and Halifax have not received their proper quota of through traffic. That is due to the fact that millions of bushels of wheat have been shipped through United States ports each year. This year I asked a question of the Department of Trade and Commerce with regard to these exportations, and I should like to give the committee the figures I obtained. The amount of grain of all kinds exported through the United States ports of Portland, Boston, New York, Philadelphia and Baltimore was as follows:

	Bushels
1928-29	111,840,365
1929-30	58,171,852
1930-31	75,793,150
1931-32	35,633,181
1932-33	30,346,839

Those are the latest statistics I have been able to obtain. No doubt the decrease in the amount of grain exported through those ports is due to the fact that our exports of grain in general have not been as great for some years past. I maintain that every bushel of that grain should have been carried over our Canadian railways, because if my information is correct this grain was all shipped during the winter months, when our railways and our water transportation systems on the great lakes and the St. Lawrence have not been carrying on that business. In this way our section of the country, together with the maritime provinces, have been cheated out of a great deal of revenue. If the eleven cent rate to Quebec were effective, immediately it would create a maximum rate on the great lakes. I do not know why these discriminatory rates in our section have been maintained during the winter months; I could understand it more easily if they were even seasonal rates. We in the north are fair enough to realize that railway transportation from the west to the maritimes could not compete with water transportation, but we maintain that at least during the winter months all grain hauled should go over that section of the railway.

Grain is not the only commodity that can be moved more expeditiously over that line. A few years ago a trial shipment of 600 steers was sent over that railway, and the running time of the train between Winnipeg and Quebec was eighteen hours less than the running time from Winnipeg to Montreal. Two feedings were sufficient where three were required in the other case, and this, together with a smaller shrinkage in the shipment, represented a saving of not less than $5 per head or of roughly $3,000 on the consignment. But that experiment was conducted only

once; we have never had any other through traffic in cattle, though I do not know why.

It has been stated in my section of the country, as well as in northern Quebec, the city of Quebec and the maritime provinces, that the Canadian National have not been given a fair chance. I do not believe there is proper cooperation between the two railways. I absolutely agree with the minister when he says we cannot have amalgamation, but it is a good thing to have this question before the public at the present time. I would remind the government that there has been almost a united effort on the part of some hon. members opposite to suggest that the Canadian National system is not an asset to the country, but that it is such a load that it would be a wonderful thing if it could be given away or sold for five dollars. This is not good for the country or for the railway system. A few moments ago we passed estimates amounting to several millions of dollars in connection with the Welland canal, and the minister mentioned a large sum that was to be spent on the Rideau canal. In the last few years we have also made other capital investments such as the railway to Churchill and the terminal there. These are not paying propositions, but I am sure no hon. member would suggest that they should not have been built. So I am sure no member of parliament, no matter on what side of the house he sits, would suggest that the transcontinental line should not have been built. If he knows the development that has taken place in that section of the country, which has proved so beneficial to the whole of Canada, he would realize that these expenditures were fully warranted. In my own section of the country through the gold tax alone the federal government have collected something over $4,000,000. That is only one item, and it shows the potential assets, some of which have been developed, in that section of the country.

The house should be fully seized of the necessity of maintaining the integrity of the road. I realize that it would be impossible for the minister to say that the Canadian Northern system should be destroyed. Everyone knows that with the scattered population strung along that section of the road such a declaration would arouse horror in every section of the country. But if there is a section of the system which should be abolished it is that section instead of the transcontinental, for the very good reason that the transcontinental travels through the famous clay belt of northern Quebec and northern Ontario, while the Canadian Northern is in between the Canadian Pacific and the Canadian National. In our section we maintain that because of the policy that has been followed in connection with the transcontinental we have lost the traffic to which we were entitled.

I have mentioned these facts because I wish to make a very sincere appeal to the minister that he use his influence with the railway commission to have the situation remedied. The commission is not a political body; in our section of the country when we deal with these matters, particularly railway matters, we always keep out of the realm of politics. I hope I may receive the support of hon. members from northern Quebec and northern Ontario, because I think we all realize that instead of being an asset to that section of the country the transcontinental has become a liability because it has not received the consideration it deserves. I am not going to give any further statistics at the present time; I need only say that the rates on grain and cattle are nearly double the rates on other sections of the line. Is that fair to the Canadian National railways as a whole? Is that fair to northern Ontario and northern Quebec? Is it fair to the maritime provinces? I will say it is not. It is not giving a chance to that system in connection with the building of which the founders were looking to the future. This traffic has been taken from our section of the country and we are not receiving the just treatment we might expect. We have no direct communication; we are nearly 300 miles northwest of North Bay and have no direct communication with Winnipeg or the western provinces. While we have the very best roadbed on the North American continent, no use is made of it. The province of Quebec, the city of Quebec and the maritime provinces have not ready access, so far as railway facilities are concerned, because they have to go in a roundabout way.

Before concluding my remarks may I make a last appeal to the Minister of Railways. He has resided in northern Ontario and I believe he knows as well as I do the conditions obtaining in that section of the country. He knows that the Canadian National railways have not been treated fairly so far as passenger service to that part of the country is concerned. He knows, too, that ninety-five per cent of the passenger service in northern Ontario is lost to the Canadian National Railways, and that the Canadian Pacific Railway has benefited. The people in my section of the country have no quarrel with the Canadian Pacific Railway.

We know it is a national institution and has rendered service to the country, but surely the railway commission and the Minister of Railways should see to it that our railway service is linked up.

Mr. MANION: I know the hon. member has made what he considers to be a sincere appeal. Usually he is eminently fair, but on this occasion, particularly in regard to the last few sentences, of his observations, I do not think he has been quite fair. For instance, he indicated that the cutting off of passenger traffic on the northern lines of the Canadian National railways was quite unfair to those railways, and stated in so many words that such action favoured the Canadian Pacific Railway. If any unfairness exists so far as the Canadian National railways are concerned, the hon. member must know, as I do, that it has been brought about by their own management, because neither the Minister of Railways of this government nor that of the late government, no matter what the faults of that government may have been, have had anything to do with the actual operation of the railways. I have no control over the train schedules, because ministers of railways are not consulted on those matters. The railway managements, whether they be of the Canadian National or of the Canadian Pacific, handle their own train arrangements. Therefore I submit if any unfairness has been the result it is the fault of the management. I would not agree that the management would be so foolish as to permit themselves to be unfair to themselves—because that is what the hon. member has suggested in his declaration that the conditions obtaining are unfair to the national system. It is an old cry, and I do not think the hon. member is quite fair to himself when he repeats it because the management of the national railways have been handling the road exceedingly well. Were I to show the hon. member a statement of the earnings for the first six weeks of this year or for the whole of last year he would see that the Canadian National Railways is earning in the present year and in the past year did earn considerably greater revenue than the Canadian Pacific Railway did.

I think the Canadian National Railways management are eminently fair to themselves, and no doubt their only reason for taking trains off the northern route was that they do not feel such trains were justified by the earnings. Naturally the management must eliminate services which do not give a reasonable return of revenue. Only last week I visited my own constituency, and as the Canadian National Railways have no direct train running from Ottawa to Fort William as a matter of convenience I travelled via the Canadian Pacific; I really had no choice in the matter. I went up on train No. 1 and came back on No. 2, trains which used to carry through Pullmans and dining cars but which because of scarcity of traffic through northwestern Ontario do not now provide those facilities on the trains in question. The Canadian Pacific Railway have eliminated many of their trains for the same reason as have the Canadian National Railways.

I do not wish to enter into any lengthy discussion of the railway situation, and for that reason will deal with only one or two further points raised by the hon. member. He has stated that the national railways have not been fair to the northern country, and in an effort to substantiate his arguments he quoted some journals or newspapers which had made certain statements. Surely the hon. member would not suggest that the Department of Railways and Canals must be responsible for everything appearing in a newspaper. Those journals are not our mouthpiece; so far as possible we endeavour to speak for ourselves. He must not forget that traffic on the Canadian National railways in 1933 was less than half of the amount in 1928, the peak year. My memory indicates that in 1928 the gross revenues of the Canadian National railways were about $300,000,000, while in 1933 they were only about $148,000,000, or a little less than half. Naturally the same service cannot be given when earnings have been cut in half.

The hon. member made reference to wheat and other traffic which he thought should come down via the northern route. A few moments ago he was kind enough to state that I am from northern Ontario. May I say I am very proud of it, and in my heart I have a strong affection for that particular section of Canada. In area it is huge; in fact without consulting a map one hardly realizes that the northern portion of Ontario is more than five times the area of the more thickly populated southern section of the province. Unfortunately, however, the population in the greater area is small, and for that reason the passenger revenues from that part of Ontario cannot be heavy. Therefore the hon. member must understand that from the standpoint of passenger traffic there is no justification for heavy or regular passenger services. When the hon. member indicates that wheat and other commodities are not shipped via the northern route may I point out that practically no wheat comes east by rail from Winnipeg. An

odd car may be sent by rail because of some emergency, but practically all the grain which comes east from Winnipeg goes first to the head of the lakes and then comes down by water to the Georgian bay ports and Port Colborne, or through to Montreal. When it is shipped from the port of New York it goes via Buffalo. I would say however that the vast majority, probably 99$\frac{9}{10}$ per cent of all the grain coming east, comes by water simply because the rail rates are about ten times as high as the water rates. I have given the round figure, but I believe I am approximately correct. Obviously there would be no justification for any person shipping by rail when he can ship at one-tenth the cost by water.

There is no hope in the world of my hon. friend's section of the transcontinental line carrying grain to any large extent when in fact that same grain could be shipped at a much lower rate by water. Probably I should modify my general statement to the effect that the rate is ten times as high by rail as by water, because I remember that at one time a special rate became effective from the head of the lakes or from Winnipeg to the city of Quebec. I believe the rate of eleven cents was given, a very low rate, from the city of Fort William to the city of Quebec. However, even that exceedingly low rate did not attract grain traffic to the railways, because the rate by lake and rail, if I remember correctly the figures I gave the other night, from the head of the lakes to Montreal averaged 3·79 during the 1933 season of navigation. Obviously no person would pay eleven cents from Fort William to Quebec if he could ship it from Fort William to Montreal for 3·79 cents. To attempt to carry on a grain traffic by the Canadian National railways or any other railways when that grain could be shipped more cheaply by water would be as hopeless as trying to push water up hill with a sieve.

Mr. BRADETTE: How would the minister handle the millions of bushels which in every year find their way to the American seaports for exportation?

Mr. MANION: Practically every bushel of the grain which goes via the American seaports comes from the head of the lakes to Buffalo by water. From Buffalo it goes on via the Erie canal. Sometimes it leaves Buffalo by rail, but never reaches that city by rail, because it could not be handled profitably by rail. The fact is that it goes from the head of the lakes to Buffalo by water, and possibly for the short haul from Buffalo to New York some of it may go by rail, just as our grain coming east in the summer comes by water from Fort William to Georgian bay ports, and then by rail east, and occasionally it goes as far as Saint John and Halifax by rail, which is a fairly long haul. But practically no grain ever goes from the west to Montreal or Quebec or to New York by rail. It goes principally by water, except perhaps an occasional car for some emergent need. Members who understand the grain trade, my hon. friend, for instance, from West Edmonton (Mr. Stewart) I am sure will not find any fault with my general statement that practically every bushel goes by lake and rail.

Mr. MYERS: I do not like to be complaining, and I know this is a very hard time to ask for railway improvements, but I would draw the minister's attention to the fact that our people in Prince Edward Island and those who come to our province complain very much about the service between Sackville and cape Tormentine. We are not complaining at all about the service to Sackville or in fact about the services on the island, because they are fairly good, but there is a short line from Sackville to Tormentine that is not up to the standard of the rest of the railway. That is the gateway of our province, yet the roadbed is not as good as on other sections of the road, and the passenger cars that are used on this section of the line are not in keeping with the traffic that is carried. Just a few days ago the maritime boards of trade met in Saint John, New Brunswick. A representative from our province attended the meeting and he had no trouble at all in getting a resolution passed drawing the attention of the railway authorities to the fact that the equipment and service was inadequate and needs improvement. I am taking this opportunity of bringing the matter to the minister's attention and I hope that he will take it up with the management.

Mr. MANION: My hon. friend now draws my attention to this matter publicly, but I may say that he has taken it up a number of times privately with me before. But again I must make the same reply that I did to my hon. friend opposite, and that is the reply which the railway management give me. My hon. friend complained that the passenger service was not sufficient for the people in Prince Edward Island and I did take that matter up, at my hon. friend's request, with the management. From what I hear the passenger service could be very much improved, but the railway give the same reply that I had to give to my hon.

friend from northern Ontario, that there is not sufficient traffic to justify a better service than is now being given. However, I shall very gladly draw to the attention of the management the statements which my hon. friend from Queens (Mr. Myers) and my hon. friend opposite have made in regard to these services, and submit to the management that they give further consideration to the whole question. But I cannot guarantee anything for either one of them. I may say frankly that with an election coming on in the near future, if I had the power I would gladly give them both everything they ask, until after the election anyway—I am quite honest—but I have not the power. But I will submit the matter to the management.

Mr. LAPOINTE: Do you call that honest?

Item agreed to.

Railways and Canals—Miscellaneous services, $46,000.

Mr. HOWDEN: There is a matter I wish to bring to the attention of the minister. I doubt very much if I can finish before the dinner recess but I will begin. It concerns a number of engine men in the constituency of St. Boniface and in some of the Winnipegs, and it is really a very important matter. The minister is quite familiar with it, I am sure, as he has received a good many communications from one person or another, but still there seems to be no means of remedying this festering sore, and the present situation is certainly very unfair to a considerable number of engine men in that terminus.

The facts are these. When the roads that form the Canadian National Railways were amalgamated, so far as Winnipeg is concerned, there were three roads that entered into the amalgamation. There was the old Canadian Northern railway, the terminus of which was in Fort Rouge, a portion of the city of Winnipeg. There was the Canadian government railway running east from Transcona, and there was the Grand Trunk Pacific running west from Transcona. The old Canadian Northern railway engines that were being used at that time were the old fashioned smaller type, hauling only about one-third of the tonnage that the large engines could haul that were being used on the two roads running east and west out of the town of Transcona.

It was found after the roads were amalgamated that a great deal of the traffic was routed east over the former Canadian government lines and that the engineers of the Canadian Northern were getting very little to do. This condition was aggravated by the fact that that road was in very, very bad condition, and in order to bring it into running shape after the amalgamation of the roads, some fifty crews were put to work on the Canadian Northern railway, which already had very many more engine men working than either the Canadian government road or the Grand Trunk Pacific. There was an agitation set on foot by the engine men of the Canadian Northern portion of the road for equalization or for priority rights with regard to running. I believe it was in 1926 that the matter was taken up through their grand lodge in Cleveland. I have grown a little rusty on the matter but my memory is that committees were appointed by both the engineers and the firemen and that the committees included the presidents and six vice presidents of the labour organizations.

Progress reported.

At six o'clock the Speaker resumed the chair and the house took recess.

After Recess

The house resumed at eight o'clock.

POST OFFICE ACT AMENDMENT

Mr. T. L. CHURCH (East Toronto) moved the second reading of Bill No. 50, to amend the Post Office Act (newspaper ownership).

He said: I would not make any remarks on the motion for the second reading of this bill, the passage of which would mean so much to good government in this country, were it not that forty-two per cent of the members of parliament were not in the house when it was brought up. This is the same bill that was passed several years ago by this parliament, agreed to unanimously in the interests of the real freedom of the press. At that time the bill went over to the senate but was rejected. It has been the law of England and of the United States as well for many years.

The war wrought a great change in the democratic conception of education, and we find that the press has been the leader in every phase of life; in fact, I do not know how we should have got along without the press during the last few years of depression. Now what I want to point out is that in every other department of our activities, whether it be personal estate or real estate, bills of sale, chattel mortgages, wills, municipal assessment for real estate, anyone can go to the assessment office or to the municipality

and ascertain the facts. Why therefore should we throw a cloak of secrecy around the identity of any newspaper? Everyone knows who the members of the House of Commons are, who the senators are and who the governor general is. Everyone can find out who the directors of all incorporated companies are, whether federal or provincial, because all this information has to be registered. There have to be elaborate statements with affidavits regarding the financial affairs of every corporation. But the income tax dodgers and the newspapers whose identity is not disclosed operate under cover.

There never was a time in the history of the country when it was so imperative as it is to-day that we should know the identity of every newspaper, when we consider the agitation that is going on throughout the country, among certain people, for the amalgamation of the railways and union government; when we consider the fact that the natural resources of the country have been given away to favourites; and when we consider the new deal which has been introduced into this parliament and which, since the opening of this session, the three parties have supported.

Take the investigation by the mass buying commission; that most important subject is related to the proposal put forward in this bill. At the basis of all corruption in this country, since confederation, we find a section of the press which has set itself above this parliament and above the law of the land, large mergers and combines in restraint of trade having operated to control that section of the press. Mr. Stanley Baldwin stated the other day that reform, legal, constitutional and parliamentary, transcended any other problem in importance. We admire the British press and we admire the Canadian press to-day; on the whole it is a splendid institution, and I have no criticism to make of it. I submit however that we shall have to do something to secure for the workers and the people of the country generally what Theodore Roosevelt tried to do years ago for the American people, namely, to give them a square deal, and the "new freedom" which Woodrow Wilson proposed to give them. So that in the interests of improved social, political and economic conditions it is desirable that we should know who they are that control the press. In some of the cities of this country we find two rival newspapers published in the same building and by the same publisher, one Liberal and one Conservative, and no one knows the identity of either paper or whether some of the editorials are paid for or not. In Canada to-day, as in Britain, all questions of public concern, whether political, economic, constitutional, social, religious or personal are discussed in the press quite freely, without fear or favour or any danger of criminal prosecution—a condition far different from that which existed in England in the eighteenth century when Wilkes was prosecuted. Except for abnormal circumstances, the press can publish anything, good, bad or indifferent, affecting any government or individual. The press is so much a part of the British constitution that we are apt to forget the part it played in securing the benefits we enjoy to-day in connection with our free schools, factory legislation and other important measures of social reform. It has been the standard bearer of freedom. Canada cannot get along without an unfettered press, and a free press is of inestimable advantage to the people of this country. It is a joy to the individual; it illumines the home and exalts the nation, and the saying that "worth makes the man," is applicable to all our great newspaper editors.

Section 1 of the bill provides that there shall be a sworn statement of names and addresses of editors, owners, stockholders, and so forth, to be made semi-annually. Now I submit that inasmuch as they use the post office they should register; the identity of every newspaper should be known. The post office of this country carries second class mail for the newspapers at a net loss of $8,000,000. The department cannot afford to pay its employees a decent rate of wages because of the franchises handed to the press. Section 1 does not propose that the names of small stockholders shall be given. It is provided that a copy of the sworn statement made by the newspaper shall be published in the second issue printed next after the filing of the statement with the Postmaster General, and if that provision is not carried out then the newspaper may not use the mails. Further, it is provided that paid editorials shall be marked "advertisement." Why not? Why should any large corporation attack a man like Harry Stevens, after all he has done for the country?—a man who, more than any Lord Shaftesbury, deserves the gratitude of this country, first, for what he did in 1926 when he saved the people $55,000,000 in connection with the customs inquiry, and, secondly, in connection with the price spreads commission. Why should such a man be attacked in the manner in which he was in the past few weeks by some few sections of the press?

It is time the people woke up to the fact that we are living in a fool's paradise. When I was chief magistrate of Toronto, an effort was made to sell the city an antiquated street railway plant and light plant largely antiquated junk, for $32,000,000. What would have been the result if that had gone through? The city would have been bankrupt and there would have been no hydro-electric project such as we have it to-day and we would have had higher carfares and rates for power. The toilers and workers in the cities and the farmers on the farms of Ontario would have been affected. There are a few people in this country who tried to put over that deal on the municipalities of this province; they fought Adam Beck to an early grave, and it is due to the Canadian people, who have had various legislatures since confederation down that have given away our natural resources, that we should have some statement of newspaper ownership. I have before me a letter from the Postmaster General of the United States where a similar bill was introduced on August 24, 1912. After all is said and done, the United States has been the great laboratory since the depression came on; it has tried all kinds of schemes to solve the economic troubles of that country and to pull its people out of the mire. Those schemes have been good, bad and indifferent, but in the result, as any economist can tell, most of the legislation passed there has been for the public benefit and has done something for the workers in that country. This is what the Postmaster General of the United States says:

The present law, embodied in section 537, Postal Laws and Regulations, is printed on the back of the accompanying copy of Form 3526 used by publishers in furnishing the required information. It specifies that publishers must submit not later than the first day of October of each year a statement setting forth the names and addresses of the officers of the publication, the owners and stockholders, etc., and also in the case of daily newspapers the average number of copies sold or distributed to paid subscribers during the preceding twelve months.

The purpose and intent of the law is to discover the real owners of publications entered as second-class matter and to let the public know who controls the editorial policies of the publication. It has been helpful in many instances where it was necessary to ascertain the actual ownership of publications and has also been beneficial in the case of daily publications which are required to show the average daily paid circulation in correcting the practices of some publishers in representing to advertisers a greater circulation for their publication than actually obtained. The law on the whole has been beneficial in its effect.

The law embodied in paragraph 2 of the above mentioned section, requiring editorial or other reading matter for the publication of which money or other valuable consideration is paid, accepted, or promised to be marked with the word "advertisement," enables readers to determine what is advertising and what is reading matter, and since the advertising portion of publications entered as second-class matter, with certain exceptions, is subject to postage at graduated zone rates, according to distance—

And these rates in the United States which I am going to quote are twice what they are in this country where we had a deficit of $8,000,000.

—the rates ranging from one and one-half cents a pound for the first and second zones to seven cents a pound for the eighth zone, while the reading portion is subject to postage at the flat rate of one and one-half cents a pound, regardless of zone, it also facilitates the collection of the proper postage.

That is from the Postmaster General of the United States in regard to newspaper regulations. He encloses a schedule which, with the consent of the house, in view of the many demands I have had for schedules, I would like to place on Hansard so that the members may see the regulations and affidavits in effect across the line. It is only a short schedule on the back of the act.

Mr. SPEAKER: Shall consent be granted to put the schedule on Hansard?

Some hon. MEMBERS: Yes.

Mr. CHURCH: The schedule is as follows:

Statement of the Ownership, Management, Circulation, Etc., Required by the Act of Congress of March 3, 1933

Of.. .. .. .

the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 411, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are:

Name of— Post office address—
Publisher.. .. ..
Editor.. .. ..
Managing Editor.. .. ..
Business Managers.. .. ..

2. That the owner is: (If owned by a corporation, its name and address must be stated and also immediately thereunder the names and addresses of stockholders owning or holding one per cent or more of total amount of stock. If not owned by a corporation, the names and addresses of the individual owners must be given. If owned by a firm, company, or other unincorporated concern, its names and address, as well as those of each individual member, must be given.)
.. ..
.. ..
.. ..
.. ..

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: (If there are none, so state.)
.. ..
.. ..
.. ..
.. ..

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

5. That the average number of copies of each issue of this publication sold or distributed, through the mails or otherwise, to paid subscribers during the twelve months preceding the date shown above is.....
(This information is required from daily publications only.)

.. ..
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Sworn to and subscribed before me this.. .. . day of.. .. ..193 .
[Seal.]
(My commission expires.. .. .. ..193 .)
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I will not quote the number of papers whose editors have advocated this legislation. They are mostly Conservative, but there have also been many Liberal newspapers. Let me pay tribute to the Liberal party because in 1919 they introduced this very bill in the house. Hon. Mr. Lemieux, then member for Gaspé, introduced this bill in the house on several occasions, in fact this particular bill formed part of the Liberal platform of 1919. I have to pay tribute to Mr. Lemieux because he copied it from the law of England.

But I will say in conclusion that in the United States we have seen the control of Wall Street which the senate inquiry revealed. In that country Mr. J. Pierpont Morgan is a striking example. He and his partners did not pay a penny of income tax for years, and no one outside the precincts of the house of Morgan was any the wiser. It required a United States senate inquiry to expose this evil practice and a senate inquiry to show how tied and non-identity newspapers had been bought to kill public men who opposed in that country the giving away of their last natural resources. This exposure shocked all America and in fact the whole civilized world.

There was a committee formed of thirteen in my city to put over a union government a few weeks ago, the last thing this government wants, and the people would like to know who is behind that particular move.

I have many papers that I could quote from. This is what I said in the by-election in East Toronto, and I do not take a word back of what I said in that riding:

> The Conservative party, the real founders and authors of protection in Canada, should not allow itself to become just an adjunct to great mergers and monopolies and restraints of trade and security company racketeering, and who, as well as great departmental stores, are a law to themselves, and snap their fingers at the government and parliament and any regulations from the law of the land as they crush out the small dealer and starve their employees, and by rural mail delivery and the misuse of mail orders ruin the small towns and villages of the province. We had a milk and gasoline inquiry end in no prosecutions as not within the legislative competence of Canada.
>
> The time has come to stop "pussyfooting" with these cankers in the body politic and reassert the supremacy of parliament, as the first duty of a government is to look after the health and happiness, welfare and prosperity of its people. The Conservative party has done itself credit in the spread prices and

mass buying committee.... But the big interests who have so much weight in all parties are out to kill it as they did the milk and gasoline inquiry and the Beauharnois inquiry, and to put the lid on—and also to kill and destroy any private member who opposes them and drive him out of parliament.

I still stand by those words. I believe the Conservative party and this government have done themselves proud in what they have done in the way of protecting the workers, the consumers and especially the farming industry, because the farmers and the industrial workers of this country are traditionally Conservative; they have been the two branches of this party from 1878 down. They have never faltered in the principle of protection. So when I see some of our leaders attacked as they are by some of the tied press for having brought about these reforms for the benefit of the workers, I believe the time has come to know who owns some of the newspapers. The object of this bill is well known to the press. For many years the newspapers have been coming to parliament and securing privileges. Prior to 1882 newspapers were carried free by the post office. This bill provides for what is already required by law in England, Australia and the United States, that is: a sworn statement of the names and addresses of editors, owners and principal stockholders of every newspaper, magazine, periodical or other publication, to be filed with the postmaster general semi-annually. There have been quite a number of newspaper references to this bill. Various farmers' magazines have openly approved the proposed legislation as being in the best interests of a free press and a free parliament. The Farmer's Advocate, the St. Catharines Standard, the Globe and the Port Hope Guide, The Winchester Press, are a few cases in point. I want it understood that I am not for a moment attacking the press of this country; I do not believe you could find anywhere a press to excel it. The contribution which Canadian newspapers made to the community, the country, education, social benefit, the satisfactory outcome of the war and during the depression; what it did to promote the cause of the poor and needy and of charity and philanthropy and to further every worthy movement on behalf of the soldiers and of the nation at large was invaluable and finds its place on the proudest pages of Canada's history. It was the press that helped very largely to restore Canada to her normal position. Nor can one say too much for the honour and integrity of the press of Canada. The tendency of our Canadian newspapers is decidedly forward, and not backward, and notwithstanding the high cost of material and labour and the depression and the social situation their prospects are bright. I have no doubt that the genius of our newspapers will help to make this country great industrially and socially and in every way, so that Canada will march triumphantly on from strength to strength.

The object of the bill is to require disclosure of ownership so that we know who the owners are. No fair minded man in the country, can oppose this proposal; if he has at heart the interests not only of the country, but of the press itself he will support this bill. For these reasons I move the second reading. Having done that, the onus is on the house. This bill is not a party measure; on a former occasion it was supported unanimously by all parties as being in the public interest and in the interest of the peace, order and good government of this country.

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

On section 1—Sworn statement of names and addresses of editors, owners, stockholders, etcetera, to be made semi-annually.

Mr. NEILL: I wonder if the introducer of this bill has considered the question of jurisdiction. The first subsection might possibly be in order because it deals with the right to use the mails; that may be under dominion jurisdiction. But subsection 2, provides that all paid editorial or other reading matter must be so described, and there is a penalty, a fine of not less than $50 and not more than $500; that has nothing to do with the Post Office Act or the use of the mails. I am no lawyer, and the Solicitor General and the ex-Solicitor General are not in their places, but I have a recollection that some seven or eight years ago I got through this house a somewhat similar bill which prescribed that no one should print or publish any document without his name and address on it, and there was a provision that printers had to keep a record for a certain number of months of the names of those who had employed them to do that particular work. The idea was to check the practice, common then and even more common now, of publishing seditious matter anonymously so that there was no way of finding out its source of origin. It met with unanimous support in this house, but in the other chamber it was thrown out on the ground that it was interfering with provincial jurisdiction over property and civil rights. I wonder whether

subsection 2 is not open to the same objection. Personally I heartily support the bill in every phase.

Mr. STEWART (Edmonton): I think the hon. member has forgotten that we pay no attention to provincial rights now.

Mr. NEILL: But we did not make a treaty about this in Versailles.

Mr. MANION: They do not pay much attention to our rights either, I notice.

Mr. POULIOT: In principle I favour this bill, but I have some objection to subclause 4—

The CHAIRMAN: Wait until we get to it.

Mr. POULIOT: But subclause 4 is part of clause 1.

Mr. BELL (Hamilton): Carried.

Mr. POULIOT: No, I ask my hon. friend to keep quiet. I understand he is sore at not having been in the seat of the Minister of Justice for the last four or five years. But if he has some complaint let him make it to the Prime Minister; we are not at all interested in his sour grapes.

Mr. BELL (Hamilton): Carried.

Mr. POULIOT: I know that what I have just said is carried, and I know my hon. friend may suffer from neurasthenia because he has not got what he wanted.

The CHAIRMAN: Order.

Mr. POULIOT: We know he has had a sore mouth for a long time and we are sorry for him; nevertheless we hope he will recuperate somewhere and keep quiet now, because if he wishes to get into the shoes of the Minister of Justice he must behave differently in the House of Commons. If he continues to behave in this way—

The CHAIRMAN: Order.

Mr. POULIOT: —his electors will not vote for him, because if any elector of the city of Hamilton should see his performance in the house he would surely tell the others, and the hon. member would not get a single vote.

Mr. BELL (Hamilton): Carried.

Mr. POULIOT: I am glad my hon. friend admits that what I am saying is right; it is carried unanimously—everyone is of the same opinion. We are all sorry he gives such a sad performance.

Mr. BELL (Hamilton): Carried.

[Mr. Neill.]

Mr. POULIOT: This again shows how sad it is to see a gentleman of the intelligence of the hon. member—

The CHAIRMAN: Order. Let us discuss the bill, clause 1.

Mr. POULIOT: I am discussing the bill, but in the meantime I have just described the hon. member's bilious attacks.

The CHAIRMAN: Is clause 1 carried?

Some hon. MEMBERS: Carried.

Mr. POULIOT: I wonder, sir, why we should carry it so early. Very serious objections have been made by the hon. member for Comox-Alberni. I wonder if the hon. member from Hamilton cannot give us some illumination concerning the letter and spirit of this section.

The CHAIRMAN: Shall clause 1 carry?

Some hon. MEMBERS: Carried.

The CHAIRMAN: Shall I report the bill?

Mr. HEAPS: Is there only one section?

Mr. NEILL: There are subsections, not sections.

Mr. HEAPS: I thought we were taking it up clause by clause. I find in the clause we are discussing that there is no penalty for evasion.

Mr. NEILL: Yes.

Mr. HEAPS: I do not find it. It does state that if there is any evasion the paper shall be denied the right to use the mails. Then we come to subclause 2; there is a form of penalty there, but applicable only to newspapers with paid circulation. I am thinking of newspapers such as are often circulated for which no payment is made. If those papers have no identification as to ownership they evade the provisions entirely. I have in mind newspapers that are circulated by the thousands, particularly at election time. No one knows where they come from or who publishes them; they may contain all kinds of scurrilous matter, and there is nothing in this bill to provide for them. I think if we are going to attempt to find out who publishes newspapers and is responsible for the disseminating of certain kinds of information, the bill should cover all classes of newspapers. As it is now the bill is not wide enough to take care of a situation which is the cause of a great deal of annoyance and worse. I have seen in the publications I refer to untruthful and lying statements, with no indication of the source or the name of the printer of the paper or of who was responsible for its publication. If it is at all possible, with the consent of the

mover of the bill I should like this clause to stand so that the point I have raised might be looked into. Perhaps the clause could be made wider so that it would include all classes of newspapers having circulation in the Dominion of Canada.

Mr. CHURCH: This bill is in exactly the same form as the bill I have introduced four or five times previously; there has not been a word changed. Previously this bill passed the house unanimously and it had the support of farmers' newspapers as well as most other newspapers throughout this country.

Mr. HEAPS: What the hon. member says may be perfectly true, but it does not answer the question I have just raised or the definite statement I made as to incidents which have occurred in this country during the past five or six years. If the hon. member who has introduced this bill would be good enough to let the matter stand I should be glad to take up with him the clause about which I am complaining now and to give him information which perhaps will convince him of the desirability of making the scope of the bill a little wider, because from what I can see of it I believe it could be evaded very easily, so that it might not bring the benefit the hon. member hopes. In all seriousness I would suggest that the hon. member allow the matter to stand over; I will see him at the first opportunity and discuss the wider application of the bill.

Mr. BELL (Hamilton): Surely the whole thing depends on whether or not the post office department decides to recognize any alleged publication as a newspaper within the meaning of the act. If that is so the objection of the hon. member for North Winnipeg is gone. On the other hand if it does not, then no person can say that the importance of a recognized newspaper attaches to it. That is all that it amounts to.

Mr. POULIOT: As I have already said, I agree with the principle of the bill, but I strongly object to paragraph 4, which reads:

> The Postmaster General may make such regulations as are required to carry out the provisions of this act.

I do not believe that power should be vested in one minister. If the hon. member for East Toronto is willing to dispense with that paragraph I will support the bill.

Mr. CHURCH: May I say to the hon. gentleman and to the hon. member for North Winnipeg that this bill was before this house in 1919, and the point raised to-night was raised at that time. The question was asked then whether a bill of this kind did not interfere with the property and civil rights of the provinces, and we obtained the opinion of the Department of Justice, which was that it does not in any way infringe on the jurisdiction of the provinces in regard to property and civil rights. Under section 91 of the British North America Act the regulation of post offices is exclusively a matter for the federal government. This bill deals only with regulation of postal matters in regard to certain publications that have obtained franchises from this parliament in the way of second class rates; it provides that they must conform to this bill. I have no objection to a penalty, but a penalty is included in the bill, if hon. gentlemen will note it. These publications which do not comply with the terms of the bill are to be denied the use of the mails, and I think that penalty is sufficient.

Mr. NEILL: What connection has subclause 2 with the Post Office Act? It has no connection at all; this is a separate matter.

Mr. CHURCH: I read the letter from the Postmaster General of the United States with regard to penalties. This is simply a regulation of the Post Office Department.

Mr. NEILL: But subclause 2 has no reference whatever to the post office; it simply says that if you do not indicate the material for the publication of which money has been paid you are liable to a fine of not less than $50 and not more than $500. That does not come under the jurisdiction of the Post Office Department; it comes under the jurisdiction of the provinces in connection with property and civil rights.

Mr. CHURCH: I think this bill contains all the regulations and penalties necessary to meet the situation.

Section agreed to.

Title agreed to.

Bill reported.

SUPPLY

RAILWAYS AND CANALS

The house in committee of supply, Mr. Morand in the chair.

Miscellaneous services, $46,000.

Mr. HOWDEN: When the committee rose at six o'clock I was endeavouring to discuss the so-called Montreal agreement. I have little doubt that the Minister of Railways and Canals knows a great deal more about the

Montreal agreement than I do, but that agreement has been the cause of a great deal of dissatisfaction and heartache to a great many men engaged in the running trades by the Canadian National Railways. In many districts of the road these differences have been adjusted, but that is not by any means the case over the whole road. Now, sir, in order that members of the committee may have some little knowledge of this affair perhaps I might take a moment or two to explain it. This may necessitate a little reiteration but I shall endeavour to be as speedy as possible.

When the lines that now form the Canadian National system were consolidated and combined the management set about rehabilitating the road. It was found that the Canadian Northern, being considerably older than either the Grand Trunk Pacific or the National Transcontinental, was in much worse repair, and in order to put the roadbed in shape it was found necessary to start a great number of extra hauling crews. Some fifty engine crews were started on the Canadian Northern portion of the system at that time. Subsequently, when the various portions were consolidated and combined, and the road was put on a running basis, it was discovered that there was a ratio of four crews on the Canadian Northern portion of the road to one crew on any other portion of the road. Since a good deal of the freight and other business was routed over the newer portions, namely the Canadian government parts of the road, this led to considerable dissatisfaction on the part of the engineers and firemen of the old Canadian Northern railway system. An agitation was set on foot which resulted in the matter being taken up by the grand lodges of engineers and firemen assembled at Cleveland, Ohio, and in committees being appointed, such committees to consist of the presidents and the eight vice-presidents of the respective brotherhoods. These men conferred and decided upon an equitable arrangement whereby they gave the Canadian Northern engine men a ratio of seven, as compared with two for the Grand Trunk Pacific and one for the Canadian government railways running east out of Transcona. The agreement was made, but apparently it was not very satisfactory, because, while it was to become effective in 1926, an injunction placed upon it prevented its becoming effective until 1928.

Mr. MANION: On the western lines. It came into force on the eastern lines in 1926, and on the western in 1928.

Mr. HOWDEN: I am interested in the western lines, and I am speaking with regard to them. Even after it came into effect the agreement was not satisfactory; in fact so far as the western lines are concerned it had never been satisfactory. May I explain at this point that the part of the system with which I am concerned and about which I complain consists of the old Canadian Northern terminus at Fort Rouge in the city of Winnipeg, and the Canadian government terminus at the town of Transcona, six miles east of Winnipeg. The arrangement was that the crews which had run out of Transcona should go to Fort Rouge and take out trains, and on the other hand that the crews of the Canadian Northern lines running out of Fort Rouge should likewise be in a position to go to Transcona and take out trains. As I stated previously the ratio was to stand at seven crews for the Canadian Northern portion, two crews for the Grand Trunk Pacific and one for the National Transcontinental. Singular as it may seem, the first men to complain, so far as this portion of the road is concerned, were the old Canadian Northern men, because after the arrangement was put into effect crews went from Transcona to Fort Rouge to take out passenger trains, and a very active protest was set on foot by the engineers of the Canadian Northern portion of the lines which was the cause of bringing into force an agreement known as the Montreal agreement, and which was engineered by a former Minister of Labour, the Hon. Peter Heenan. By this subsequent arrangement it was decided that engineers and firemen might not leave their own terminals to take out first and second class trains, namely passenger and mixed trains, so that the small ratio of men on the Canadian government railways were robbed of about the only consolation they had. The result of it all is that at the present time in Transcona there are about thirty engineers and about twice as many firemen who practically never get a run, and who see men who began working many years later running regularly from day to day. Obviously this is an unfair and prejudicial state of affairs.

In complaining about the matter to me these men set forth several points. They claim that the agreement was entirely unfair in every sense for the reasons—

First, that the test was made in the month of September, 1920, when the road was abnormally busy carrying grain.

Second, owing to the comparatively small size of engines on the Canadian Northern portion and the fact that one engine of standard size such as was then operating on the Grand Trunk Pacific and the Canadian government line was hauling three times the tonnage of the former, there were therefore

three times the number of engine crews engaged on the Canadian Northern as would be required to haul the same tonnage on the other lines.

Third, at the time the test was made some fifty extra crews had been taken on the Canadian Northern portion for the purpose of improving and balancing the road bed.

Fourth, owing to a trestle bridge at Brereton, eighty miles east of Winnipeg on the Canadian government line, being washed out, all freight east had to be routed by the Canadian Northern railway out of Winnipeg, thus greatly augmenting business on that portion of the system and leaving traffic practically at a standstill on the Canadian government lines.

Fifth, the most important point is that owing to the fact that the small number of Canadian government men in the order formed a minority they were overwhelmingly outvoted when the matter was brought up in the grand lodge at Cleveland.

Sixth, all efforts to obtain redress either through labour organizations, through the management or by any means whatsoever have failed, and left them helpless.

Seventh, —and this is rather important—

Mr. MANION: Would the hon. member permit a question? I ask only for information. Does he know what percentage of the men claim they have been unjustly treated? I must confess I have no information on the point.

Mr. HOWDEN: I do not know the percentage, but I know the number in the town of Transcona, which is in my constituency. It involves thirty engineers and about twice as many firemen.

Mr. MANION: Out of a total of how many?

Mr. HOWDEN: Well, they represent practically all of the old Canadian government lines engineers, on the lines running east from Transcona. These men are out of work They have been thrown off their lines, and outsiders have come in and taken their work with the result that they have nothing to do.

The seventh point, and one worthy of consideration, is that the Canadian Northern men were given seniority or priority from the time they started wiping in the shops, and the men on the Grand Trunk Pacific and on the Canadian government lines were given seniority only from the date of their first run on an engine on the road. Sometimes this made a very considerable difference. Then, there is a minor consideration which, however, means a good deal to the men on the road. Former Canadian Northern men living in Winnipeg and either leaving or arriving at Transcona during the night have a big, comfortable bunkhouse at their disposal, in which they may spend that portion of the night remaining to them either before departure or after arrival. On the other hand the Transcona men, former employees of the Canadian government railways, must travel six miles through to Fort Rouge in order to take their trains, or go in to Winnipeg the evening before and engage a room in the hotel or a boarding house in order to avoid the trip into the city during the night. Likewise the men who arrive over the Canadian Northern system at night are exposed to the necessity of taking a taxicab and driving home through the night or spending the night at a hotel, either of which means considerable expense. Someone may ask: Why don't they move? Well the difficulty is that they originally belonged to Transcona, and they still belong to Transcona. Many of them have their homes there, and that is where their living should be. They are exposed to the necessity of making a trip during the night into the city of Winnipeg in order to get a run on the road at all. It seems to me like a very unfair piece of business, and the men have without doubt I imagine indicated that in their complaint to the Minister of Railways, who probably has told them that it is no affair of his, that it is a matter for the management and the men. But when the men appeal to the management of the road the management tell them: We have nothing to do with it because we made an arrangement with your organization and we are quite helpless in the matter. Finally, when the men complain to their organization they are in a minority there, and are outvoted. Obviously it is unfair to these men at Transcona, and I presume that others on other parts of the road, have seen men who started ten or fifteen years later than themselves supplanting on their runs and taking their living out of their mouths.

What possibly can be done for them? It seems to me, Mr. Chairman, that the minister might with reason indicate to the management of the road that he considers this a decided unfairness, and he might ask the management to confer with the representatives of the labour organizations. The minister could point out to the management this obvious unfairness that was obtaining on the road and ask them to try to correct this situation and give these men a proper show. The fair thing would be to give all the men on the road

piority rights from the time they took their first trip on the road, and if these men had priority rights from the date of their first trip on the road I think that they would be satisfied.

The Fort Rouge men going to Transcona have a comfortable bunkhouse in which to spend the night. This may seem a small matter to bring up in the House of Commons, but let me say that it means a good deal to the men who have to make a trip through the night to get from Transcona to Winnipeg. If the management could provide a similar bunkhouse in Fort Rouge for the men who have to go into the city I think their grievances would be fairly well met and that they would be fairly satisfied. It seems to me, Mr. Chairman, this matter ought to receive the consideration of the minister.

Mr. MANION: I have listened attentively and with a good deal of interest to what the hon. gentleman (Mr. Howden) has said, and I have no doubt he has made a perfectly fair and sincere statement of the whole situation. He is quite right in saying that the matter has been brought to my attention by other groups. I doubt, however, if the group to which he refers has brought it to my attention, although they may have done so in the five years I have been minister, but if they did I do not remember it. Undoubtedly it has been brought to my attention by certain of the groups. I remember particularly that some groups on the eastern lines in the extreme Atlantic region brought to my attention injustices which they claimed had been imposed on them through the Montreal agreement.

Perhaps a very brief review of the Montreal agreement might be useful to the members of the committee, particularly those who were not here when the hon. gentleman started speaking before the dinner recess. According to my information, the Montreal agreement was not put into effect until December 1, 1926, on the eastern lines—the Atlantic region Central region and the Grand Trunk Western, and it was put into effect on the western lines just two years later.

Mr. HOWDEN: It was held up by an injunction on behalf of the men in the west.

Mr. MANION: After the injunction, or rather after a board of conciliation had sat, the agreement came into effect on the western lines on May 1, 1928. The need for an agreement arose out of the consolidation of the various lines, as the hon. gentleman has stated, into the Canadian National group. The old Canadian Northern, the Grand Trunk Pacific, the National Transcontinental, the Intercolonial and so forth were taken over between 1918 and 1920 and consolidated into the national system, and, just as the hon. gentleman has pointed out, various groups representing men on the old roads, which were independently operated in the first place, demanded their seniority rights. As traffic was shifted from one portion of the railway to another, where it could be more economically handled, certain groups of men were thrown out of their positions. For example, it might have been found that traffic coming from Winnipeg to Fort William over one route before the amalgamation could be handled more economically after the amalgamation by bringing it over another route, and consequently the group from which the traffic was taken found themselves without their accustomed runs. There was so much trouble raised by the men themselves with the management, and rightly so, that the management in a sense said to them: For heaven's sake get together and settle your seniority rights. After a period of years the men got together, and finally on the dates I mentioned, in 1926 for the Atlantic, Central, and Grand Trunk Western lines, and in 1928 for the western region they came to these agreements so far as the firemen and engineers are concerned. After a conciliation board under the Industrial Disputes Investigation Act had sat, the western region finally came under the agreement on May 1, 1928. It was the men themselves and their organizations which arranged the Montreal agreement. Undoubtedly some injustices have been done, and I have no doubt that the case as cited by my hon. friend has been stated correctly. I know from complaints that I have received from other sections that other injustices have also been done. But as the hon. gentleman pointed out in his closing remarks, I have no power in the matter. It was arranged first of all by the men themselves through their various organizations, and then they submitted it to the management, and the management accepted it as the best arrangement which could be come to.

The management now takes the attitude when I bring these cases before them—I have done so before, and I shall gladly draw their attention to the statements and suggestions of my hon. friend—that while undoubtedly some injustices have been done this is an arrangement which is for the greatest good of the greatest number, and that if they attempt to interfere with it, it would bring about such a chaotic condition that there would be no satisfaction whatever; in other

words, while there are a few dissatisfied now, if they changed the arrangement all would be dissatisfied and chaos would result.

Under these circumstances I really do not know what can be done. My hon. friend's final suggestion might be a very simple solution or a part solution of the situation locally, and I think it is well worthy of consideration. I refer to the proposal he made as to a bunkhouse. But that would solve the difficulty only as far as his section is concerned, and then perhaps only partly, because I assume the men who feel dissatisfied over losing their positions will still be dissatisfied to a certain extent. The only thing I can do, and I shall do it gladly, is to bring my hon. friend's remarks to the attention of the management and ask them to give them whatever consideration they can. It is entirely a matter in the control of the men themselves and their organizations, and the management. I shall gladly bring the remarks of my hon. friend to the attention of the management for whatever consideration they can give them.

Mr. HOWDEN: I want to thank the minister for his kind reception of my statement of the situation and for his consideration. I understand that their differences have been adjusted somehow or other and that Transcona is about the only sore spot left, and obviously the simple thing to do would be to give every man his seniority from the time he made his first run on the road. As it is now, only some men are given seniority from the time they made their first run, other men being given seniority from the time they went into the shops to wipe. They get the advantage of the time they spent wiping, and they are benefited to this extent in comparison with the other men.

Mr. MANION: The statement of the hon. gentleman is a repetition of what he said before and it does sound unjust, but the question of seniority among the men is not for the management; it rests entirely with the men themselves.

Mr. HOWDEN: I quite agree with the minister in that regard.

Mr. MANION: It is a matter which is entirely in the hands of the men's organizations and the only people who can interfere with it are the men themselves. However, I shall be glad to bring the matter to the attention of the management—the only body with whom I have communication—and ask them to give it every consideration, to see whether they can put it to the men's organizations in such a way as to be of assistance.

Mr. MITCHELL: I think the minister is absolutely sound. I hold no brief for the railway organizations; they are capable of speaking for themselves. But I think it is fair to say that whatever conditions are enjoyed by them, and they compare favourably with the conditions enjoyed by railway men in any other country, have been brought about by the organizations themselves through the instrumentality of the men to whom the hon. member has referred. What is the position of the government in this matter? There already exists in the country the proper machinery whereby the majority vote of these organizations prevails. If my hon. friend's contention is sound, then we on this side of the house should be the government and those on the government side should be sitting to the left of the Speaker. I think it would be a dangerous precedent for the government of the country to interfere unnecessarily while the proper machinery exists—the conciliation boards and so on—to rectify the grievances from which the men suffer or think they suffer. It places the government in the position of the boss, telling the men's organizations what they should do after they have decided on a certain policy according to sound democratic principles. I think the best thing these men can do is to get back into their organization and try to influence its policy; otherwise it would be a case of the tail wagging the dog. There may be some injustices—and I have had some experience with conciliation boards; I know something about seniority, and I know that men fight harder for seniority than for working conditions and wages. That exists in every line where the strict policy of seniority prevails. But to ask even the employers to dictate to the organizations what they shall do, when one considers the provisions of the Industrial Disputes Investigation Act, is to propose something which in my opinion is beyond the ken of the government, of the management and of the members of this House of Commons.

Mr. BELL (Hamilton): In other words, the hon. member for East Hamilton declares that the policy of the government has been right from start to finish.

Mr. BOUCHARD: Absence of policy.

Mr. HOWDEN: I was not suggesting that the government should interfere; I was suggesting to the minister that the government might indicate to the management of the road the desirability of having this matter

reviewed and adjusted if possible. The hon. member for Hamilton spoke of some men thinking that they were unfairly used.

Mr. BELL (Hamilton): The hon. gentleman means East Hamilton; I am the member for Hamilton.

Mr. HOWDEN: Hamilton anyway. Well, I have here a slip indicating that one R. D. Bailey hired with the Canadian Government Railways in 1915, and he is now behind a man hired after 1920. Obviously he is unfairly treated. Another man, Huston by name, hired originally in 1911. He went overseas and came back and is now firing for a man who must have been fifteen years of age when he commenced railroading in order to be this other man's senior. There can be little doubt that in these two instances these men are discriminated against. As regards having the order adjust these matters, every time the question has been brought to a vote in the order the men in the majority outvote the men in the minority, and the men in the minority take what they can get, which is nothing. That is the way it works out in the order.

Mr. McKINNON: The organizations have the sole right to handle the seniority problems of their particular railways; the management have never interfered and do not pretend to interfere. The Minister of Railways, I think, gave about as clear an explanation as it is possible for anyone to give, with this exception. They have had what are known as general seniority promotions, over quite a large territory, and when the amalgamation took place a large number of men voluntarily moved from one part of the district to another. The hon. member for St. Boniface is no doubt absolutely correct in stating that a number of men in Transcona have been done an injustice; but while these particular men on that particular railway may have been done an injustice, nevertheless, taking it as a whole, it was the very best program that the representatives of the men could work out to suit the country as a whole. And as the minister has pointed out, it would upset conditions terribly if an attempt were made to adjust the matter at this late date. The man representing the Canadian Northern at that time has received promotion from his organization; so evidently, as a whole, they must have been satisfied with the work he did for the men.

Mr. POULIOT: In 1926 and 1928 I sent a strong protest to Sir Henry Thornton with regard to the universal promotion scheme. It comes from the Montreal agreement. Now, it works in a very strange way. At a division point some employees who have been working for twenty years are set back and other men who have been working only ten years have still an opportunity to work. There is discrimination there, and I bring it to the attention of the minister. No one intends to interfere with the high policy of the management, but on the other hand it is only fair to bring these instances to the attention of the government in order that they may be transmitted to the management, and the management can see whether there is some way of reaching a compromise with the men. I agree with my hon. friend from East Hamilton; the matter should be settled by mutual agreement between the management and the men. The Montreal agreement should be amended by mutual consent, just in the same way as it was made, but in order to bring that about, it must be discussed and the matter should be brought to the attention of the management. I shall be glad if the minister will see that that is done.

Mr. MANION: I will bring the whole discussion to the attention of the management.

Mr. POULIOT: I thank the minister.

Mr. SPENCER: This may not be the proper item, but may I once again draw the attention of the minister to what is known as the Bulwark Easterly line in Alberta on which some twenty-five miles of grading has been done for some years. The people in that vicinity had great hopes that the line would be completed. Needless to say, being quite a long way from the railway, they have been greatly handicapped in getting their grain and other produce to market, and they have been waiting very patiently in the hope that something will be done. Is there any prospect that the rails may be put on this grade as part of the relief work that it is anticipated the government will bring before the house this session?

Mr. MANION: The line to which the hon. member refers is in exactly the same position as most of the other branch lines which have been spoken of and drawn to my attention at various times in the last three or four years. The question is one of the management recommending the continuation of some of these lines, and because of the financial condition of the railways, the management has not seen fit to recommend the continuation of any of them so far as I know. I may suggest to the hon. member as I did to the hon. member for North Battleford, that we did have yesterday and we shall probably have again on Tuesday.

Wednesday and Thursday of next week the managing officers of the Canadian National Railways before the select standing committee on railways and shipping, and since the hon. gentleman is very much interested in the matter, he might have a chat with Mr. Fullerton and Mr. Hungerford in regard to this line and just see if he can influence them, because the suggestion and recommendation have in the final result to come from them. If they take the attitude that this line rather than some others requires attention, he may rest assured that the government will do everything it can to carry out the recommendation of the railways. Their recommendations are generally speaking carried out. When those officials are here again for two or three days next week, the hon. member might interview them in regard to the matter. I will repeat to him what I said to the hon. member for North Battleford: I would have no objection and I am sure the other members of the committee would have none to his coming into the committee and asking the question directly, because the officials are in a better position than I am to decide the matter.

Mr. SPENCER: I had intended to go to the railway committee and ask permission, but I happen to be a member of the banking and commerce committee and it has been sitting at the same time. If I have an opportunity next week, I shall take advantage of the offer made by the minister. I am quite sure the people for whom I am speaking do not wish any favours, but they do want not to be overlooked. If these lines which are half finished are going to be completed, they think they should be given the same treatment as the others.

Mr. MANION: May I say a word further without seeking in any way to delay my own estimates? I have every sympathy for all those different groups that have branch lines partly constructed or that have been promised branch lines, but as the hon. member knows, the question has been one of the finances of the railways. I hope in the very near future the railways will feel able to recommend and the government will feel able to support the recommendation for the further construction of these branch lines. I hope my hon. friend will come before the committee and submit his case to the management of the railways.

Mr. SPENCER: I will.

Item agreed to.

Railway Employees' Provident Fund—

To supplement pension allowances payable under provisions of the Intercolonial and Prince Edward Island Railway Employees' Provident Fund Act so as to make the minimum payment during the period January 1, 1935, to March 31, 1936, the sum of $30 per month instead of $20 per month as fixed by the said act, $27,500.

Mr. SPENCER: There is an increase here. Might we have the reason for it?

Mr. MANION: This is to provide money to supplement the pension allowances on the Intercolonial and Prince Edward Island railways under the provisions of the provident fund. I shall read the item, because it is a little clearer than anything I can give off-hand. It is to supplement pension allowances under the provisions of the Intercolonial and Prince Edward Island Railway Employees' Provident Fund Act so as to make the minimum payment during the period January 1, 1935, to March 31, 1936, the sum of $30 per month instead of $20 as fixed by the said act. The increase is merely because a few more men are drawing pensions at the present time, but the peak will be reached after which the amount will decrease. We simply supplement the money as supplied by the Canadian National Railways for this pension fund.

Mr. HEAPS: How many pensioners are there on the roll?

Mr. MANION: They are as follows:

Number of pensioners in receipt of maximum allowance of $10, bring the minimum pension of $30 instead of $20 per month—128.

Number in receipt of allowance to bring pension which ranged between $20 and $30 up to $30 per month—186.

Total number receiving extra allowances—314.

Number of retired employees in receipt of pension during the month of February, 1935—1,722.

Number of employees contributing to the provident fund during the month of December, 1934—8,853.

Mr. HEAPS: Does that refer to the whole system?

Mr. MANION: This is just the Intercolonial and Prince Edward Island railways.

Item agreed to.

Railways and Canals—

Chargeable to collection of revenue—canals, elevators and harbours operation and maintenance, $2,500,000.

Mr. SPENCER: Would the minister give us the reason for the increase?

Mr. MANION: This item is to provide for the local administration, operation and maintenance of the whole canal system of the country consisting of about 500 miles of canals. The increase of $100,000 is explained as follows:

Staff

1. Quebec canals dredging fleet.—The work of this plant in 1934-35 was charged to Ontario-St. Lawrence canals repairs to the amount of $15,500.

2. Welland canals.—Provision for the operation of certain Canadian National Railway bridges by the department under agreement, $16,000.

3. Minor increases or decreases on various canals for contingent accounts and miscellaneous services representing a net increase of $19,700—$51,200.

Repairs

1. Provision for various delayed repair works which, under normal conditions, would have been carried out during the past two years and which can no longer be held up if the canal system is to be maintained in proper condition.

2. As the canals become older, maintenance costs increase from year to year until the structures are beyond further repair and replacements have to be made—$48,800.

That makes up the increase of $100,000. It is a round figure, not an absolute one.

Mr. HEAPS: This $2,500,000 refers almost entirely to maintenance charges?

Mr. MANION: Operation, maintenance and repairs.

Mr. HEAPS: Could the minister give us the other side of the picture as to what are the interest charges on the canal system of the country?

Mr. MANION: That is just as difficult as the question the hon. member asked in the railways committee the other day. Over a period of years, well over one hundred, we built the various canals in this country. We have spent on them something like $250,000,000, including $130,000,000 on the Welland. How much of that was from consolidated revenue the Lord may know, but I am sure I do not nor anyone else. So the trouble is I cannot tell how much of it is in the debt. I suppose some is, but I doubt very much if anyone could figure out how much, and only by knowing that could we figure the interest.

Mr. HEAPS: The minister has said $250,000,000 has been spent on the canal system. At five per cent it would mean $12,500,000.

Mr. MANION: That would be correct if it were all in the debt, but over the years no doubt some of it was paid out of the consolidated revenue, just as I explained yesterday about the railway debt.

Mr. HEAPS: And I did not understand it then.

Mr. MANION: Well I can give the explanation but I cannot give my hon. friend understanding. I say that without meaning any offence. I thought I understood it yesterday when I explained it but I may not have made my hon. friend understand it. However, while I do not know how much of this has been paid from consolidated revenue, without doubt some of it has.

Mr. HEAPS: It would be fair to say that a capital charge of $250,000,000 at four per cent would represent an interest charge of $10,000,000.

Mr. MANION: Yes, if it is in our debt.

Mr. HEAPS: Well, no matter where it is, I suppose if it is owing, interest is payable on it.

Mr. MANION: But it would not be owing if it had been paid out of revenue.

Mr. HEAPS: In view of the fact that $130,000,000 for the Welland canal is just one item in the $250,000,000, no doubt the major part—

Mr. MANION: I think that is in the debt all right.

Mr. HEAPS: So it would seem that we have probably $10,000,000 a year interest to meet on these canals, and another $2,500,000 for maintenance, or roughly speaking $12,500,000 a year. How much revenue is derived from the canals?

Mr. MANION: In round figures about $1,000,000 or a little less, nearly altogether from water powers that we lease. I explained before dinner that there are no tolls charged on the canals. Even when tolls were charged the revenue did not amount to much. The only income that we get that amounts to anything is from the water powers that we lease. We get some other little returns on operation, such as the handling of boats in the locks of the Welland and from the Prescott elevator, but the latter costs more than we get. The Port Colborne elevator more than pays its way.

Mr. HEAPS: Worse than the railways.

Mr. MANION: That is probably right.

Mr. REID: I think the department should look to the time when the agreements and treaties of which the minister speaks come up again. Hundreds of millions have been spent on our canals which are used without charge by other shipping than our own, while ships leaving our shores have to pay some $9,000 toll to go through the Panama canal. We in British Columbia feel that when these treaties come up again some consideration should be given to Canadian ships carrying Canadian produce through the Panama canal in view of United States ships using our canal system without charge.

Mr. SPENCER: Is the Welland canal entirely finished now, or will there be any further expense?

Mr. MANION: It is practically finished. There are a few little levelling jobs, a piece of bank may settle here and there, and altogether another $1,000,000 may have to be spent. But the whole canal is finished and operating—and my engineer adds, the claims will be paid. But most of them are provided for in these present estimates. There may be a few little fag ends, including claims, that may amount to $1,000,000 or perhaps more.

Mr. SPENCER: Was all the work done by contract, or was it government work?

Mr. MANION: Practically everything was done by contract. There was an odd small job done by the government but all the larger jobs were let by contract.

Mr. SPENCER: Then nothing will be realized on equipment when the job is finished?

Mr. MANION: Most of the equipment was provided by the contractor and figured in his contract, or it is equipment which he can move to other jobs. The contractors have to look after that; we had not much equipment to worry about.

Mr. SPENCER: There are no tolls at all on the Welland canal?

Mr. MANION: No tolls whatever. But there are some charges, not for the tonnage of the ships but for the handling of them in the locks. There are also certain wharfage charges.

Mr. HEAPS: Are these canals open to the vessels of all countries?

Mr. MANION: Yes.

Mr. HEAPS: Do we receive reciprocal privileges from other countries?

Mr. MANION: There are charges on the Panama canal, as the hon. member for New Westminster (Mr. Reid) pointed out. As to the Manchester canal my engineer is not sure; as to the Kiel canal, I imagine they have tolls. But we are in this rather difficult position, that there are treaty arrangements with many different countries, and aside from them the big difficulty is the United States. For example at Sault Ste. Marie the United States has the better canal and our ships largely use the American canal in preference to our own. It is true that down here the Welland is the big canal; in fact the United States have none at that point. But it was found prior to 1903 or 1904, when tolls were abandoned that tolls diverted the traffic from the Canadian canals to Buffalo and down through the Erie canal to New York. In other words if we put tolls on in the east the Americans who have the best canal in the upper lakes can retaliate, as they did once, by putting on tolls in respect of shipping using their Sault Ste. Marie canal. Those might balance and not matter much, but when we come to the St. Lawrence canals, grain, which in the absence of tolls goes down the St. Lawrence and out by Canadian ports would be diverted at Buffalo and exported through American ports. For these reasons it was decided a third of a century ago that it was better not to charge canal tolls, in order to hold the grain and other traffic. I remember looking into the matter before the war and finding that at least one-third of our Canadian grain went to New York. I have not the figures now; I think a less proportion goes that way now. Of course in the meantime the port of Vancouver has taken a great deal of traffic that used to go east, much to the surprise of some people—

Mr. REID: They used to laugh at the idea.

Mr. MANION: They did not so much laugh, but they were afraid that the wheat could not go south through Panama without heating. I remember reading many articles to that effect. But as a matter of fact about half goes that way now. My engineer shows me that for 1933 the amount of Canadian wheat going down the St. Lawrence and out by Canadian ports was 88,000,000 bushels and via Buffalo and New York 35,000,000. That is about the same proportion as before the war; a little more than one-third went via Buffalo in 1933. I have no later figures. In 1932 the figures were almost exactly the same. In 1931 it was about fifty fifty; half went each way. That is Canadian wheat, of course, and it must be remembered that a certain amount of United States wheat goes out by Montreal, which offsets some of our wheat that goes the other way.

Mr. HEAPS: I am trying to get at the economics of the whole thing at the moment. The Welland canal costs the country from $6,000,000 to $7,000,000 a year, and I am just wondering whether from an economic standpoint and from the standpoint of the amount of benefit we receive from it the Welland canal is worth it.

Mr. MANION: I can answer quite frankly that in my opinion it never should have been

built, except as part of a through system. It is like many of the other things we did in our more or less insane optimism. As it is we have merely permitted the boats to go down one more lake at a cost of $130,000,000. Without any hesitation whatever I frankly say that I cannot imagine what those who originated the idea were thinking of to build the Welland ship canal. It is just like the building of the Prescott elevator, for example—and I hope the hon. member for Prescott is not in the house. There is no doubt that the Welland ship canal was not a project that should have been gone on with at that time, unless as part of the St. Lawrence canal scheme. If at that time we had intended to build the St. Lawrence canals in association with the Welland ship canal there would have been some real reason for it, but other than that I do not know what could have been the reason except that when it was begun twenty-two years ago apparently we thought we had too much money. My hon. friend suggests that we had too much water; at any rate they mistook it for money and spent it on the canal.

Mr. SPENCER: If the St. Lawrence canals are ever completed the Welland canal will fit in with that scheme, will it not?

Mr. MANION: Without doubt, if the St. Lawrence canals are ever completed, but I should not say we should feel very optimistic at the moment in regard to their completion.

Item agreed to.

Hudson Bay railway—
Amount to provide for difference between expenditures for operation and maintenance and the revenues accruing from operation during the year ending March 31, 1936, not exceeding, $226,000.

Mr. SPENCER: Can the minister give us any particulars with regard to the business at Churchill and the ships that came to and went out from that port?

Mr. MANION: Yes, gladly. This item, of course, deals with the port of Churchill and the Hudson Bay railway. There are two items that perhaps should be considered together, the one now before the committee which has to do with the operation and item number 82, which has to do with construction. Probably the same information will do for both items. Last year fifteen ships went out of Churchill as compared with ten the year before. I will just give these figures from memory because at the moment I do not have them before me. I think about 4,500,000 bushels of grain, several cargoes of cattle, considerable lumber and I think a small quantity of flour, though nothing of any importance, were shipped from Churchill. Coming in there were a couple of cargoes of general merchandise. That was really the whole traffic. Operations were carried on very successfully as far as they went, and the other day the acting Prime Minister stated in the house that through the high commissioner in London we have succeeded in getting the insurance rates lowered, so that for the coming season the rates will be a little lower than they were for the past season. Of course the insurance rates depend to a great extent on the amount of traffic safely carried on. Of the boats that have gone to Churchill, as every hon. member knows, there has been only one accident, and my hon. friend from Nelson thinks that was one of those accidents that might easily have been avoided. I will let him explain that if he cares to do so, but he has explained it very fully on other occasions. I admit that it certainly had a peculiar appearance. I do not think there is any other information I can give at the moment.

Mr. HEAPS: Can the minister tell the committee the capital cost of the Churchill improvements to date?

Mr. MANION: The total cost of the Hudson Bay railway and Churchill is in the neighbourhood of $52,000,000 or $53,000,000.

Mr. HEAPS: Has the minister the separate figures?

Mr. MANION: Yes. The railway alone cost $32,886,000. The estimated expenditure at the Churchill terminals is $13,202,000, and then at Port Nelson some $6,250,000 was expended before they decided to go to Churchill. These three figures give the total I mentioned a few moments ago, of $53,000,000 in round figures.

Mr. HEAPS: That is for the railway and the terminal site at Churchill?

Mr. MANION: That is for all the construction work, the whole terminal as it has been built, including a big elevator, a freight shed, a great deal of dredging, the laying of tracks and so on. It also includes the expenditure of over $6,000,000 at Nelson.

Mr. HEAPS: Apart from the railway could we have the figure in regard to the maintenance charges at Churchill, together with the interest charges?

Mr. GEARY: If the minister is going to give that information I think there is a great deal more information we should have as to the operation of the road. I was going to

suggest to the minister that it would be well if the special committee on railways, perhaps not this year but in future years, made a definite and exhaustive report on the operations of the road for the year, dealing with all the items that are shown in the ordinary railway account. At the present time we do not have this amount broken down in any way; we are simply given the difference between two sides of the ledger, just as we have a sort of capital account under another item. We know nothing at all of how the road is kept up, where the money goes or where it comes from.

Mr. HEAPS: I quite agree with what the hon. member has said, but I do not think we had these figure before the railway committee in previous years. I should be quite content to have them go there, but I think while the minister is here we should have the information.

Mr. MANION: With regard to the remarks of my hon. friend from South Toronto it is true the house has never been given a complete statement, but answers have been given to any questions hon. members have cared to ask. Up to this year the construction and operation of the Hudson Bay railway has been looked upon as one item. This year we have separated it, because the road is practically completed. Up to this year the road was in the process of construction, but now it is looked upon as a complete road and therefore we separate the two items. One has to do with capital expenditure on the Hudson Bay railway and terminals and the other has to do with operation. In regard to the operation of the road may I tell the hon. member for South Toronto that the cost of operation and maintenance in the year 1934-35 for the railway only was $593,000, the port only, $100,000, and the elevator only, $85,000, making a total of $778,000 in round figures. The revenues from the railroad were $456,000, from the port $12,000 and from the elevator $102,000, making a total of $570,000. In other words there was a deficit on railway, port and elevator of about $208,000.

Mr. HEAPS: On operation only?

Mr. MANION: Operation and maintenance. Of course that does not include construction cost, because that is capital outlay. On construction alone the railways spent a further sum of $180,000 and the port $131,000, making a total expenditure of $311,000. Of course that is capital expenditure which will not have to be repeated. The above deficit is, roughly, what might be expected in the coming year, although on account of increased traffic the amount may be cut down to some extent—if we have such increased traffic.

Mr. HEAPS: The minister has said he does not expect there will be any repetition of capital expenditure, and I am wondering if there will be any interest to pay as a capital expenditure?

Mr. MANION: I am quite sure there is. We are not paying anything out of revenues these days.

Mr. HANBURY: Has the minister before him the reference to the special committee on railways and shipping, and if so will he say whether this item is included in the reference?

Mr. MANION: This is in a different position, because the Hudson Bay railway is being operated, it is true, by the Canadian National Railways, but as our agents. However I have no objection to having the Hudson Bay Railway item submitted.

Mr. HANBURY: I think it is covered.

Mr. MANION: No, it is not, because as I have already stated the Hudson Bay railway is being operated by the Canadian National as our agents, and we ourselves that is the Department of Railways and Canals, are operating the port.

Mr. HANBURY: Has the minister before him the reference to the special committee?

Mr. MANION: No.

Mr. GEARY: The committee is to deal with government owned railways, no matter in what category they may be. This is a government owned railway.

Mr. HANBURY: Yes.

Mr. HEAPS: Could the minister give the committee some idea of the prospects both for the Hudson Bay railway and the terminal at Churchill? What are the prospects of increased traffic and increased earnings?

Mr. MANION: At the moment the elevator is full, but we know that it was practically full at this time last year. As to the prospects, may I say this, that the hon. member who has asked the question is from Winnipeg, the city where there are great journals such as the Winnipeg Free Press, which tell not only all about what has happened in the past but which attempt to blast the reputation of those who live in the present, and without reference to truth or anything of the kind. I am sure the Winnipeg Free Press could tell my hon. friend much more about the matter than I can. He is in just as good a position to estimate the future of that port as I am. I hope for the sake of our judgment—and when

I say our judgment I mean the judgment of past governments, because we know this government has had nothing to do but carry on what other governments have begun—I hope for the sake of the judgment shown by past governments which built this road and opened this port that the project will at least reach the stage where it will pay its way. I believe that as business increases throughout the world and as the west comes back into its own, as all hon. members sincerely hope it will, the Hudson Bay railway will do a reasonable business. I would not like to be too specific in regard to the justification for building the railway at the time it was built. However, we know there was a demand for it on the part of the western provinces, and even if for no other reason than that I would say there was some justification for the construction. Certainly it has not yet justified its existence from the standpoint of traffic, but in making that statement we are saying of the Hudson Bay railway only that which we could say of the rest of the railways and canals in Canada.

Mr. STITT (Nelson): I have been waiting for the item to be called which deals with the Hudson Bay railway and terminals, construction and betterments, and was under the impression that would probably be the best time to make my observations. However if the minister has no objection I shall proceed under the present item. Of course I wish to discuss the railway and the port.

Mr. MANION: Go as far as you like.

Mr. STITT (Nelson): I heard something said by an hon. member from Winnipeg concerning the prospects for business on the Hudson Bay railway. I thought possibly the hon. member who asked the question would be in a better position than most of us to answer it, in view of the fact that people in Winnipeg made the most noise about getting the railway and now they neglect to make use of it. Last year no Manitoba grain, cattle or other produce went out through that port, yet the premier, his deputies and ministers go about the province boasting about Manitoba's own seaport. So far we have not been able to get any business from Manitoba, and the port would have been absolutely idle had it not been for the sister province of Saskatchewan.

The minister mentioned that the acting Prime Minister had read a communication from the old country in regard to a reduction on marine insurance out of Churchill. I am sure that is pleasing to some of us who have been fighting for a reduction for a good many years. While I welcome that slight reduction the best I can say is that it is a short step in the right direction. Some hon. members may smile at that statement, but I shall develop the point so that they will know what I mean. I shall give an illustration by giving the facts and figures concerning two cargoes leaving the ports of Churchill and Montreal respectively. These cargoes were shipped on the same class of vessel and the same number of bushels were carried in each case.

Taking the hull and cargo insurance together on a ship of 5,000 tons gross register valued at £50,000 carrying 300,000 bushels of wheat worth 75 cents a bushel—that is about the average cargo on the type of ship sailing out of Churchill—the insurance out of Churchill in 1934 was $7,500 for hull insurance and $2,812 for cargo insurance, making a total of $10,312. Then, out of Montreal the hull insurance on the same boat was $1,250 and the cargo insurance $562, making a total of $1,812. In other words there is a difference of $8,500.

Mr. MANION: Did the hon. member prepare these figures himself, or where did he get them?

Mr. STITT (Nelson): I got them out of the shipping report for the 1934 shipping season. These figures are with respect to the port of Churchill, Manitoba, and are prepared by the Department of Railways and Canals.

Mr. MANION: I just wondered, because my figures agree with those given by the hon. member.

Mr. STITT (Nelson): This is important, in view of the statement made by the imperial shipping committee, in their shipping report for 1934, in which in no uncertain terms they state in connection with the Hudson bay marine insurance rate that so far as well found vessels are concerned the dangers are no greater out of Churchill than they are out of Montreal. In spite of that statement however we have to pay five or six times more insurance. When I asked this government what they intended to do about the rates I was informed that the matter had been taken up with the imperial shipping committee and that a reply was expected shortly. That reply has been received, and it states that there will be a reduction of twenty-five per cent on the general rate, with an additional twenty-five per cent off the new rate for boats equipped with gyro compasses. I say that is a short step in the right direction, and I have given the figures to qualify my statement.

I have a few observations to make in regard to stevedoring. A question was asked in this house about stevedoring charges, and the minister I think quite properly replied that the government had very little to do with it, that the shipping companies contracted with certain stevedoring contractors who carried on the work. That is quite true, but I am not going to go quite as far as the minister and say that the government have no responsibility in the matter because I think it is a responsibility upon this government to see that the people using that route get a square deal and get the lowest possible rates for stevedoring, dock and harbour charges that it is possible to give them. I am going to give a comparative statement of the stevedoring charges in Churchill and Montreal in support of my statement that we are not getting a square deal at Churchill from the stevedores.

At Churchill, for 270,000 bushels shipped, the stevedoring charge is $4 a thousand bushels, or $1,080; bagging grain, 5,000 at 9 cents, $450, or a total of $1,530, less ten per cent. I believe the discount of ten per cent is universal. The charges at Montreal are 270,000 bushels at one dollar per thousand bushels, $270; bagging, 5,000 bags at 7 cents, $350, a total of $620—that is, a charge of $620 at Montreal as compared with $1,530 out of Churchill.

Mr. HEAPS: Why the difference?

Mr. STITT (Nelson): I cannot tell you that. All I know is that the difference exists. The stevedoring contractor makes his deal with the shipping company, and the government have nothing to do with it. I am simply bringing these figures to the attention of the committee.

Mr. HEAPS: Is there any competition for the business among the stevedores?

Mr. STITT (Nelson): I have not heard of any; there may be. There is only one stevedoring contractor up there, but whether he has to bid in competition with other stevedoring contractors I don't know. At all events I contend it is not worth four times as much to trim grain in Churchill as it is in Montreal. I will agree that the stevedoring contractor—I had some argument with him last fall—cannot possibly get the same type of men at Churchill that he can in Montreal because he has to go up to Churchill in the fall and pick up just what men he can get and he does not get the best type of man, whereas there are hundreds of experienced men in Montreal. It might be reasonable to charge twice as much at Churchill as at Montreal, but certainly not four times as much.

Mr. HEAPS: Was not the difference just about twice as much, $600 as compared with $1,500?

Mr. STITT (Nelson): Four dollars per thousand bushels at Churchill, and one dollar per thousand at Montreal for trimming the grain.

Mr. QUINN: Do the stevedores get the difference?

Mr. STITT (Nelson): No. They pay higher wages at Montreal than at Churchill. I am bringing this matter to the attention of the government and the committee because I think there is an obligation on the government to see that shippers out of Churchill get the best rates they can. We are already paying higher shipping rates out of Churchill than out of Montreal and we expect to for some years to come. We also expect to pay higher insurance rates. Nobody realizes better than I do that the only way we can get the insurance rates down to where they should be is by greater volume of shipping and a low rate of loss. It may take some years to establish that. But in the meantime we have no right to be subjected to four or five times the stevedoring rates charged in Montreal, and as long as I am able to stand up in this house and fight, you are going to hear from me till we get the rates down to where they should be.

Mr. MANION: Before my hon. friend passes from stevedoring, would he allow me to say a few words for the information of the committee? The government has nothing to do with the stevedoring. Mr. Louis Wolfe, who is head of a stevedoring company in Montreal and does a great deal of stevedoring in that port, has been very active and energetic in the matter, and has gone across to Europe on a number of occasions and made his arrangements with the shipping companies that ship out of Churchill. Any other stevedoring company can do the same, but no other company has had the energy and ambition and desire apparently for the work that Mr. Louis Wolfe has had. Mr. Louis Wolfe charges more at Churchill than he does at Montreal, but we must not forget that he took care of fifteen ships out of Churchill while there are hundreds going out of Montreal. In addition the port of Montreal is open seven or eight months, perhaps a little longer, whereas Churchill is open at the most three months. In addition,

Mr. Wolfe has to come to Churchill and get his own crew, and if it had not been for the Department of Railways and Canals it would have cost twice as much as the present charges, because we supply him with men and we supply the men with quarters. With only fifteen ships going out he could not afford to take up a whole crew, and so we supplied the men out of those we had with us. Whenever he is short of men we have, up to the present time at any rate, been able to supply him with help. So I know my hon. friend was not meaning to criticize as if we were not taking any care of this matter, because we were, and I know he knows we were doing exceptionally well. We made arrangements to facilitate Mr. Louis Wolfe with his work in every possible way, and I think Mr. Wolfe and his organization have been doing the work at a reasonable charge considering the small number of boats going out of the port, and the great difficulties and the short season at Churchill as compared with Montreal. I merely say that before my hon. friend passes to another subject, because it should be known by the committee. I am quite sure of the facts I state, and I know that my hon. friend knows that they are quite correct.

Mr. STITT (Nelson): It is just a matter of opinion. I still maintain that the rate is abnormally high. I think it should be cut in two.

Mr. HEAPS: Does the hon. member think any other concern would go into Churchill and do it for that money?

Mr. STITT (Nelson): I would not go that far, but I say that the organization that is now at Churchill could do the stevedoring. They have an organization there at Churchill and foremen who need take second place to none in knowing how to handle men. If it is necessary for the department to take over the stevedoring I am quite sure that they could do it.

Mr. MANION: I do not agree with the hon. gentleman. We have no one at Churchill who could take it on. True, if the department cared to take over the work we could do it perhaps for nothing, just as we might handle the insurance for nothing. I am pointing out that Louis Wolfe has been the only one who has shown any desire to do the work, but if anybody else wishes to undertake it we shall be glad to help him and facilitate his work the same as we have done in the case of Mr. Wolfe. In fact another company some weeks ago did apply to me for some of this work, I told them how Mr. Wolfe handled it, and we are ready to give them or anyone else the same opportunities and assistance that we have given to Mr. Wolfe. The department has no more right to take over the stevedoring than the government has a right to take over the insurance.

Mr. STITT (Nelson): I do not say that the department has a right to take it over, but I say that if the worst comes to the worst they could take it over, because they have men there who know just as much about it as Mr. Wolfe or any other man. I do not think it does any harm, Mr. Chairman, to air these things and to give these figures to the committee. The longer I live the more I love the truth.

Now in regard to port charges, there is a little discrepancy, but not a very serious one. At present at Churchill wharfage costs $100 per day for a vessel that remains at the wharf more than three days. Of course that hits the general cargo boat that may come in there, boats that may come in for lumber or mixed cargo and have to stay longer than three days, because they have to pay $100 a day for each day over three days, whereas a boat that comes in for grain and gets out in twenty-four hours, which they can do if they are ready, does not have to pay any wharfage. Would it not be possible to arrange for a charge of five cents per N.R.T. or something of that kind? That would be satisfactory to all the shipping companies and fairer to the boat that lays over more than three days.

Hon. members have heard that we have received a reduction from the shipping committee and the season now opens on August 10. I was very much disappointed that they did not see fit to extend the season a little; I had hoped that they would extend it to the first of the month. As a matter of fact, it could be moved up to the 15th of July with safety. I have been doing a good deal of reading of reports with respect to ice conditions in Hudson bay and I have read the reports from the special committee appointed by the senate some time ago to investigate this project. They went into the matter at great length and with great care. In 1920 the senate appointed a committee to investigate the whole subject, navigation, length of season and ice conditions, and the committee heard some very prominent witnesses. I want to place these names on the record because I

think they should be there in connection with the discussion of the season. These were the witnesses who were called:

Anderson, Captain Frederick, Hydrographic Branch, Naval Service.
Anderson, Colonel W. P., Marine Department.
Bell, Major G. A., Deputy Minister, Railways and Canals.
Bernier, Captain J. E., Arctic Explorer.
Bowden, Mr. W. A., Chief Engineer, Railways and Canals.
Clawson, Mr. E. E., Department of Marine.
Cochrane, Hon. Frank, P.C., M.P.
Desbarats, Mr. J. G., Deputy Minister, Naval Service.
Freakley, Captain Norman E., Hudson's Bay Company Navigator.
McLachlan, Mr. D. W., Engineer-in-charge of Hudson Bay Terminals.
O'Hara, Mr. F. C. T., Deputy Minister, Trade and Commerce.
Payne, Mr. John Lambert, Statistician, Railways and Canals.
Prince, Prof. Edward E., Dominion Commissioner of Fisheries.
Stefansson, Mr. V., Arctic Explorer.
Thompson, Sergeant E. H. L., R.N.W.M.P.
Tyrell, Mr. J. B., Mining Engineer.
Tyrell, Mr. J. W., Civil Engineer.
Walton, Rev. W. G., Missionary.
White, Lance-Cpl. Richard, Nain, Labrador.

Surely these men must have known what they were talking about. The witnesses included a man like Captain Bernier, who had sailed the Arctic for twenty-five or thirty years and knew these waters as well as he knew his own back yard. What were the findings of the committee? Let me quote from section 2 of their report:

(2) That the season of navigation under present conditions is at least four months in length and may by reason of improvements in aids to navigation be considerably increased.

That is the view they expressed after hearing all the evidence of these experts—not the experts who sit behind mahogany desks in the old country, but men who had sailed in these northern waters and who knew what they were talking about. But we have also the department's own reports in regard to navigation conditions in Hudson bay and straits, in 1934 as well as in 1932. Go back, in the month of July, as far as you like and you will find that throughout that month in those two years, according to the reports, while there was the odd growler there all the time, there was no ice of any consequence, and many days there was no ice at all. So that we are not unreasonable in asking that the season be moved up. I do not say that the season should be advanced a month or six weeks at a time, but this year it might have been moved up to the first of August and, in my opinion, it could with safety be moved to the 15th of July. A boat cannot get into trouble either in the straits or in the bay even if it sights an iceberg, because at that time of the year there is daylight twenty-four hours of the day, and there are no shoals or reefs. It cannot hit bottom, nor will it pile up on an uncharted reef; and even if it did meet ice it could lie on the edge of the ice until the wind blew it away the next day. Take the Ocean Eagle, the government's boat, which goes into the straits every year in the month of July, reporting on ice conditions. What do they find? It is not unreasonable, from the reports that come from that boat, to ask that the season be extended a little. I know that we cannot expect to have the whole thing done in one year; we must move gradually, building up the port accordingly. I must say that I was disappointed that the season had not been moved ahead this year.

Mr. MANION: Will the hon. member explain what he means by the season being moved ahead? We do not control the season.

Mr. STITT (Nelson): The season of navigation.

Mr. MANION: We do not fix any dates for the season.

Mr. STITT (Nelson): I am not asking that that be done by you; I was referring to the imperial shipping committee and I said that I was disappointed that they had not moved the season ahead—the first part of the season. I was not referring to the department at all but to the concessions granted with respect to insurance rates, and I said that I was very much disappointed that they had not moved the season ahead, opening up earlier.

Mr. MANION: I do not wish to interrupt the hon. gentleman, but I think that the facts as they are should go out. I want Churchill to be a success—not as much as my hon. friend wishes it, because it is in his constituency, but as much as the ordinary Canadian does. I am informed by my engineer that the first four boats going in last year were stuck in the ice. These boats are the Dalworth, the Rio Claro, the Brandon and the Grelhead. One went in on the 13th of August and the other three on the 14th of August and they were stuck in the ice. They could not have got in any sooner, so that the imperial shipping committee could not have advanced the season. I make this statement in justice to the government, because there is enough criticism from enemies of the government without any misunderstanding on the part of friends like the hon. gentleman. Last year the government spent, on investigating navigation conditions, the

sum of $97,469.22, practically $100,000, and my department spent probably another $15,000 for our vessel, which continues the investigation after the marine boat goes out. I evidently misunderstood my hon. friend, who was referring to the shipping committee; but listening to him one might conclude that in his opinion an injustice was being done. No injustice is being done by the government, and neither the shipping committee nor the government can change ice conditions and allow ships to come in. As I have said, the first boat came in last year on August 13 and three others on August 14 and the last boat left on October 4, a period of less than two months. Certainly, so far as we are concerned, we have no control over boats. They come in when they wish and we are glad to receive them, and the port is ready to handle them when they come in. As a matter of fact, the elevator is full now. The harbour itself is free of ice in plenty of time, but the ice coming from Fox channel blocks the strait and bay. I submit that, in association with the statements which my hon. friend has made, the facts as given by the officers of the department should be put on the record.

Mr. STITT (Nelson): I did not suggest that the department had control over ice conditions or the opening of the season. I repeat, I was referring to the imperial shipping committee. But it does not matter if a boat does get into the ice; nothing can happen to her, because she has only to lie there until the wind blows the ice away. I do not doubt that they do see ice there in July; I have seen ice around the fifteenth. But the Ocean Eagle goes out in July and, according to the reports from that boat, there is nothing to fear. I know that every captain that goes into the port is delighted with the route, and with all due respect to Montreal we do not hesitate to say that the captains would much prefer to go to Churchill any time rather than to Montreal. There are considerably fewer dangers on that route. But either the witnesses that appeared before the committee, who are well known to everybody, who are experts and men who have navigated the northern waters for years, do not know what they are talking about, or some of the officials of the department may know more than those men do about the matter, and even the imperial shipping committee may know more—but I have my doubts about the latter. I appreciate what the department have done and are doing, and I thank them for it. I feel at Churchill they have one of the finest staffs of men that I have come into contact with in my life so far as administration work is concerned. They cheerfully do everything they can for everybody who goes in there and are very highly spoken of by all the captains and others who enter that port. I appreciate the fact that the department have spent a great deal of money there, but if we wish to magnify that, we might also check up how much money they spent getting the last two or three boats out of Montreal at the end of the shipping season and the first two or three boats into that port in the spring. That might cost three or perhaps four times as much and there is not very much said about it. We might put that statement on Hansard while we are discussing the question.

I want to thank the officials for what they are doing at Churchill and for the interest they are showing in the route; I refer especially to the officials at the port. I think the time has arrived, now that construction work has been completed, that the government should interest themselves in trying to get some more business for that route. The Department of Railways and Canals, whether it operates directly or through the Canadian National Railways who are acting as its agents, is selling transportation; it is also selling port facilities and elevator storage and facilities. If you want to sell goods these days, you must advertise. I stated before in the house that there was one handicap in securing business for that route, although the Saskatchewan wheat pool I believe made good use of it last year and saved themselves something like two and one-half cents a bushel by doing so, even at the high insurance rates and excessive cost of shipping. I believe they intend to make greater use of that route this year. There were also shipped out of Churchill five hundred head of cattle, and the man who shipped them informed me that they netted the producer $35 a head, whereas he could not have got more than $12 a head had he shipped them to Winnipeg or Prince Albert stockyard. This would mean something to the sections of western Canada that this road can economically serve.

An hon. member asked the minister whether he could give him any idea of the prospects for next year. All I can say is that I am satisfied the Saskatchewan wheat pool will ship a good deal more grain out of Churchill next season than they did last. As I said, they made a saving of about two and one-half cents a bushel, which will be increased by almost a cent by the reduction in insurance rates in the coming season. But there is another angle and a very important one to

this situation. The government have announced on the order paper that they are going into the grain business. I am not going to discuss the grain act now because I know this is not the proper time to do so, but there is an aspect of it I intend to discuss. If the government are going into the grain business, it is only natural they will seek those routes which have been proven by experience to be the most economical by which to ship their grain. This is where Churchill will come in to its own. The government have built the Hudson Bay railway and the port of Churchill; they own these; all the facilities and equipment are there. There will be no excuse for their not using that route when that legislation goes through, as I hope it will. This new grain board we are going to create will I believe prove a fairy godfather to that route, and I am not afraid of competition from any source if the route is given a square deal and if some effort is made to increase business.

One handicap we are up against—and I think I mentioned this before in the house—is this: while the Canadian National Railways have been acting as contractors in the construction of the Hudson Bay road and have been operating it, they are not interested in securing business for it. If I were to go to any Canadian National station agent in Saskatchewan or Manitoba and discuss the question of shipping from one to ten carloads of grain through Churchill, naturally that gentleman, working for the Canadian National Railways, would present all the arguments he could possibly think of to prevent me from so doing; he would naturally want me to ship my grain via Port Arthur or Fort William. That is only natural because he receives honour marks for any new business he secures for the Canadian National. He would get no credit for any business he secured for the Hudson Bay Railway. The time has now arrived for some cooperation between the Hudson Bay Railway and the port of Churchill, and the Canadian National Railway officials and employees.

Mr. MANION: Before my hon. friend gets away from that subject, I should be glad if he would draw to my attention the name of any agent who does any such thing as that, because I shall certainly report the matter to the management at Montreal. The hon. member's statement is the first I have ever heard of such a case.

Mr. STITT (Nelson): I mentioned it in the house about two years ago.

Mr. MANION: I do not remember, but if my hon. friend will give me any instance where that has happened, I shall be glad to draw it to the attention of the management.

Mr. STITT (Nelson): That has been brought to my attention in different parts of Saskatchewan and Manitoba, and it is only natural that would be the attitude the agent would take. He is not interested in the Hudson Bay Railway; he is interested in the Canadian National Railway.

Some steps should be taken to create a colonization department in connection with that route. There are thousands of acres of first class agricultural land along that road. Many people have had to leave the dry belts in the south and to go north looking for some new spots in which to start over again. I do not know of any better place that men with that pioneering spirit could go to than up along the Hudson Bay railway. You can grow there almost anything you can grow anywhere else in Canada except fruits, and there are wild fruits there. You can grow grain and roots equal in quality and yield to that raised in any other part of the country; that is amply demonstrated at any point where the train stops. The settlers going in there would have an opportunity which they would not have in some of the other northern sections and into which they are going now, due to the fact that the lakes along that road are teeming with fish. There are also plenty of game and fur bearing animals and they could pick up a little bit of fur in the winter which would help them at the time they needed money most. There are many other opportunities that do not present themselves in other parts of the country to which they are trekking now. Such new settlements along the line would create increased business which the railways need and it naturally should be looked for. I hope at the earliest possible moment the department will give consideration to this matter and that steps will be taken to try to get some idea of what can be done along that line. Some years ago the dominion government surveyed the land from I think The Pas to about mile 214 on both sides of the railway. The surveyors were then dominion government surveyors; since then the land has been turned over to the provincial government and naturally the field notes made by the dominion government surveyors were turned over with the land. I am quite sure the information could be secured as to where those blocks of land are, the type of soil and what it is best suited to

grow. This is very important, and I again say that I hope the government will give some consideration to the matter.

Mr. MANION: I do not wish to delay my own estimates, but I think the hon. member for North Winnipeg asked about the exports from Churchill. I gave them from memory and I was not very far out. The actual figures are: 4,000,000 bushels of wheat —I said four and a half—4,000 bushels of oats, 4,000 tons of flour and mill stuff, 8 tons of honey, 580 head of cattle and not quite 2,500,000 feet of lumber. These are the total shipments from Churchill last year.

Mr. HEAPS: And the imports?

Mr. MANION: General cargo, 382 net tons; window glass, 459 net tons; bagged coal, 733 net tons, and 890 tons of bunker coal: total imports of 2,500 net tons in round figures—not quite a cargo.

Mr. MOTHERWELL: When this item was up for discussion last year, and the question of marine insurance came up, the minister admitted that, notwithstanding the reductions given, the rates on the Hudson Bay route were still four or five times as high as on the St. Lawrence route. The acting Prime Minister a week or so ago, when announcing a twenty-five per cent reduction, did not say exactly how it was to be figured, but I understand it still leaves the rate three or four times as high by the Hudson Bay route as by the St. Lawrence. It seeems to me that the greatest handicap to this port is not icebergs or shoals or anything of that kind, but the abnormally high marine insurance rate. I have never blamed the minister for it very much; I suppose it is one of the handicaps that all new routes have to contend with. It has been the story of navigation all the world over from time immemorial, any new ocean, rail or caravan route has that great handicap to fight. But it seems to me that if we really mean to get the fullest use from this investment something else will have to be done to get over the uncertainty regarding the alleged dangers of the route. The insurance men in London are not going to worry about it. It is a small matter to them; they are not going to take any chances but will let time demonstrate what the risks are. Meantime some of us are getting past middle life and would like to see more benefit being obtained and more use made of this port, after having spent part of a lifetime getting it. Did it ever occur to the minister that something more might be done? This is a day of talk about state ownership and reforms of one kind and another; would it not constitute a great reform for the government to step in and shorten this period of uncertainty by assuming some share of the obligation of experimentation? Other ports might object, you may say. Well, I recall quite well that the Vancouver outlet for grain was assisted by the building of a second railway with very low grades, also by very low rates, the Crowsnest rates by the Yellowhead pass route, with the result that trade began to flow via the Pacific route, but not until those advantages were given it. Now we have this other route by Hudson bay, and the Crowsnest rates have been applied there. But it occurs to me that the government might do worse than establish a marine insurance branch in the Department of Marine and Fisheries to provide marine insurance for all Canadian ports, at cost plus whatever reserve is necessary to take care of contingencies. That would be a great advantage to the St. Lawrence route also, as it would not then have the disadvantage of a higher rate than shipments via American Atlantic ports. That seems to me worth considering, and it would be fair to all ports. We speak about restrictions and handicaps on our ports, and there are grave restrictions on the use of our ports, without going into it in detail. Anything that would facilitate the greater use of our ports would be of advantage to our railways and to everyone concerned, particularly as there is little or no marine insurance written in this country. I commend the idea to the minister. In spite of the fact that he represents a rival port I think he has not done too badly—I will give him that commendation; but he is not galloping in the direction of helping Hudson bay. For not being as bad as he might have been I give him the credit that is coming to him. I would not be making this suggestion now if I did not think he would give it at least fair consideration. It would be in the interests of Canada to establish marine insurance for all our ports, put them all on an equal footing and see what can be done in regard to attracting a greater volume of trade to our shores, to all our ports and especially Hudson bay. The Atlantic ports, Saint John and Halifax, have the advantage of proximity, the short haul across the Atlantic, and being open all the year—I understand in some years Saint John is not open the whole year, but Halifax is.

Mr. QUINN: If I may be permitted to correct my hon. friend, Saint John is open all the year round.

Mr. MOTHERWELL: Well, I am glad to be corrected. I was merely pointing out that they are not in need of as much sympathy as either Hudson bay or the St. Lawrence route, and neither is Vancouver nor other Pacific ports. Anything that tends to drive away traffic is a handicap to a port. A government that professes to be introducing reforms would accomplish a real reform by taking such an advanced step. I am of the opinion that we are in the grip of a huge insurance combine. Perhaps that is not the way to put it, but we are in the hands of one company, and it is situated overseas. It is under those circumstances, when there is a real cinch obtained on any business, that governments are justified in intervening. I am not usually an advocate of governments rushing into business, except when there is some abuse to correct, but it looks to me as if we are in the hands of practically one marine insurance company on the other side of the Atlantic. Here is the finest chance in the world for a real reform with the least disturbance of established business that you could conceive of; and anyway, why not give our ports the advantage of the cheapest insurance rates consistent with meeting the cost? I would like the minister to express his views on this.

Mr. MANION: No doubt the hon. gentleman is quite sincere in his suggestion, even though he did rather damn me with faint praise—

Mr. MOTHERWELL: I think I was pretty fair.

Mr. MANION: Oh, yes, the hon. gentleman and I have been very fair to each other for a long time now. But I doubt if the government of Canada would be justified, whether this government or any other, in going into the insurance business in any port. As I pointed out a few moments ago, according to last year's returns we were down $208,000 in round figures in operation alone, and that of course allows nothing for interest on the rather huge investment. As my hon. friend says, the matter of insurance is under the control of the imperial shipping committee, but I doubt if they would be particularly interested in interfering in any way with the port of Churchill. Undoubtedly the rates at Churchill will gradually improve as the route proves itself, so to speak. The unfortunate accident that happened two or three years ago, the sinking of the Bright Fan, no doubt threw back some considerable distance the lowering of the insurance rates at that port. It was one of those unfortunate accidents that I do not think should be blamed on the port, but as I understand it the insurance companies figure out their rates on an actuarial basis, and the loss that had to be paid in connection with the Bright Fan no doubt wiped out whatever profits might accrue in connection with Churchill for quite a time. Consequently as time goes on the insurance rates will go down, and I believe they will go down fairly rapidly because I agree with much that was said by my hon. friend from Nelson in regard to Churchill. I have heard the captains of some steamships make very complimentary remarks about the route and the ease with which they can navigate it; I heard those remarks on two occasions when I was there, and I think in the near future, as traffic increases, there will be no difficulty about the rates coming down. The government are acting very energetically on that question, just as I am sure my hon. friends would continue to act if by any misfortune they should be returned to power after the next election. I doubt very much, however, if any government would be justified in going into the insurance business; I rather feel that the government of Canada is in a sufficient number of businesses already. My hon. friend mentioned the chief objection himself when he pointed out that you could hardly pick out one port and more or less root for it, if I may use a street expression. My hon. friend from Nelson, who deserves a great deal of credit for the energetic way in which he has boosted that route and that section of the country, brought up another question. He thought the government should go out and, in a sense, solicit traffic for the Hudson Bay route. I did not wish to interrupt him because I had done so two or three times, but the fact struck me just as it does in regard to insurance, that the government of a country, being a national government, cannot—

Mr. HANBURY: Play favourites.

Mr. MANION: Exactly; it cannot play favourites; it cannot pick one port and endeavour to ship traffic that way. The moment we tried to do that, whether we did it for Vancouver, Montreal, Quebec, Saint John, Halifax or Churchill, we would be criticized by the other ports for favouring one. It is a very complicated question; I do not think it is as easy as my hon. friend seemed to think, and I know he thinks it is a great deal easier when he is in opposition than he would if he were supporting a government again. The matter has been considered, but I

believe the port is doing very well, considering the depressed condition of world shipping and world trade at the present time.

Mr. MOTHERWELL: I was not recommending any discriminatory treatment of Churchill; rather I was recommending a government policy that would apply equally to all ports. Surely there is nothing inconsistent in that. I do not know what my hon. friend from Nelson recommended; I heard only part of his remarks. Speaking of the Bright Fan, however, I think the government were rather indifferent on that occasion. They should have sent in the strongest possible recommendation that that captain should never sail those waters again.

Mr. MANION: I do not think he ever has.

Mr. MOTHERWELL: Then it is not because the government vetoed it, so far as I can make out.

Mr. MANION: We could not veto it.

Mr. MOTHERWELL: You could have reported to the overseas authorities that the captain was avowedly unfit to take care of a ship. That ship was off its course; it did not have a gyro compass, and ordinary precautions were not taken on the bridge. In the gray dawn, just before morning, an eighteen year old youth was at the wheel; one officer was snoring and dreaming, another man was having a cup of tea and the boy was there alone. It was almost a criminal state of affairs. I never heard of any recommendation from this government to the British government with regard to that conduct on the part of one of their certified mariners or masters or whatever he was called. It seems to me a good deal more could have been done in order to protect that port from such a degenerate captain again. Why, if I had wanted to get some old hulk sunk all I had to do was get hold of that vessel master and send him into those isolated waters. From what I can make out Lloyd's never inquired whether or not they were justified in paying the full insurance; they just paid it.

Mr. MANION: If my hon. friend will permit me, the marine department did investigate so far as its powers went, but the matter was not within our jurisdiction; we had no way of interfering with this ship. The facts, as my hon. friend states them, are roughly correct, but the government had no power to intervene. The captain ran the ship in and he ran it out. My hon. friend from Nelson rather thinks they hunted around for an iceberg, as he expressed it once, and he may be right; I do not know, but the government had no power to interfere. So far as the captain is concerned, so far as I know that captain has not been back with another vessel. I understand that he could not get a vessel, so I really do not think the government, to do justice to it, was in any position to do more than it did.

Mr. MOTHERWELL: Does the minister think it would be inconsistent on his part to try to get traffic for the road that was built by his department at a cost of $50,000,000?

Mr. MANION: If my hon. friend will permit me to answer, I will say yes, I do think it would be inconsistent. We also built the Canadian National down to Halifax and Saint John and west to Vancouver and Prince Rupert. If we picked out Churchill and endeavoured to get traffic for it, we would have to pick out all the others also; then we would be on an even keel again and we would not get anywhere. The Canadian National is going after traffic and having very good success. I do not think we can be expected to devote special efforts to the Hudson Bay railway in preference to the other lines, because they all belong to the government and they are all doing a fair share of business.

Mr. MOTHERWELL: I was not referring to the Canadian National; I think the records go to show that it is doing pretty well and is getting its share of the traffic. I had reference to the Hudson Bay railway only. It is a link there between the Canadian National and Churchill, if they care to use it; we have a new port and if someone does not boost it the traffic will just about stay where it is indefinitely, with these strangulating insurance rates. This generation will pass on without knowing much of the benefits of that short route. Some day, by some fortune, if we have a great amount of traffic such as we have had in other years, when the peak load will require every conceivable outlet in the fall of the year, probably Churchill will be used more, but I do not think we should wait for that accident to happen. I think it should be used as a new route, as an enterprise taken in hand by the government of Canada, by both parties, for the last fifty years. Now that we have it there is a hindrance to its use in the form of marine insurance that practically damns the whole undertaking. Are we just going to let it drift along and survive or not just as it likes or are we going to do something to give it a chance to get on its feet and earn the right to a lower insurance rate through a greater volume of traffic? That would be my suggestion. If the government do not see it that way we will just have to let it go. I suppose most of us will live to see

[Mr. Manion.]

what the new government will do with regard to it. Maybe they will do just the same as my hon. friend did, but maybe they won't. My recollection of the former government is that they found Nelson the most impossible place on this green earth to build a port. At least we should be credited with diverting the railway to a national harbour like Churchill, where there is some possibility of making a useful port and one which will eventually become a great exit and inlet for traffic to and from Canada.

Mr. REID: I should like for one moment to endeavour to contradict the statement made by the hon. member for Melville. He pointed out to the minister that if the rates which operated to New Westminster and Vancouver were in operation on the Hudson Bay Railway, the railway would be developed. We on the Pacific coast say this: Give us the same rates as the Hudson Bay railway and east, and let the flow of traffic go where it will. I am confident that if the same rates applied to the ports of New Westminster and Vancouver, and if traffic were allowed to take its choice, the rates being equal by far the greater quantity of grain would pass out through the Pacific coast ports. If that practice were followed I believe the railways would get greater revenues than they are now getting. Going to eastern ports the grain passes through Fort William and after that time the railways lose it. If it passed through the ports of New Westminster or Vancouver the railway would receive a greater revenue. We have not the Crowsnest Pass rate going east; that is one kick we have. However I could not allow the hon. member for Melville to get away with the statement that we had an advantage over the Hudson Bay railway. I say to him and to the minister that they have the Crowsnest pass rate, while we have not. However, I argued these points not very long ago.

Mr. MOTHERWELL: My understanding is that on the Canadian National the Crowsnest rates operate to the Pacific, while on the Canadian Pacific they do not. Whether or not that is correct I cannot say. I do know, however, that because of the very heavy grades which in the beginning the Canadian Pacific railway had to operate—and I believe they still have to though now lessened—some consideration had to be given, especially when that railway had to compete with the lower grades of the Canadian National railways. My understanding is that the Canadian National railway to the Pacific has the Crowsnest rate on grain.

Mr. HANBURY: The same structure.

Mr. MANION: Well, let us argue it out next year.

Mr. REID: I am afraid the hon. member for Melville was not in his seat when I spoke about freight rates.

Mr. MOTHERWELL: I know the national railway get much lower rates than it had before the Liberal government came into power anyway.

Mr. WEIR (Macdonald): Where does the minister establish the revenue of $456,000? Is that the actual freight collections on goods and merchandise?

Mr. MANION: That is the traffic which passed over the line. Roughly speaking there were about 4,500,000 bushels of wheat, together with other traffic which went up and cargoes which came down.

Item agreed to.

Miscellaneous—
Canada's contribution to the expenses of the International Commission for Air Navigation for 1935, $1,720.

Mr. POULIOT: What has the government to say with regard to the eastern Locarno pact?

The CHAIRMAN: This item is for air navigation.

Mr. POULIOT: The acting Prime Minister laughs when I ask a question like that.

Sir GEORGE PERLEY: I am not laughing at all. The hon. member has raised a serious question, but may I call his attention to the fact that we are discussing air navigation?

The CHAIRMAN: Shall the item carry?

Mr. POULIOT: No. What does the government say? What are the government's views with regard to the air pact between European nations, a condition which comes very close to the eastern Locarno pact and a matter which is of momentous importance? I would gladly listen to the observations which could be made by the acting Prime Minister.

Sir GEORGE PERLEY: I should be pleased to answer the hon. member if he raised the question at some other time. It could be answered if it were placed on the order paper. However, the present item really has nothing to do with the matter he is discussing.

Mr. POULIOT: : I submit my observations are pertinent. Every time a vote is called the government should be ready to

give an explanation. This is a matter of tremendous importance and one which concerns not only Canada but the whole world. My question relates to a pact to which European powers agreed, and as we are members of the League of Nations I say such a question is of the utmost importance. I am sure the acting Prime Minister is ready to answer; otherwise he would not have called the item.

The CHAIRMAN: Carried?

Mr. POULIOT: No. I am entitled to an answer from the right hon. gentleman, who lived in London for a long time.

Sir GEORGE PERLEY: This item has to do with civil air navigation and has no connection with military matters.

Mr. POULIOT: Very often I have read in the press that in any future warfare Germany would use commercial planes. A commercial plane could be used in warfare for purposes of carrying bombs, and could bring destruction upon an opposing territory. Therefore I say this is a matter of great concern. Does the acting Prime Minister contend that commercial planes would not be used in warfare? He knows better than that. He knows very well that these planes would be used for purposes of carrying bombs and creating destruction and disturbances.

The CHAIRMAN: Shall the item carry?

Mr. POULIOT: No. I ask for the views held by the government. Canada is a member of the League of Nations, and both before and since 1930 we have sent delegates to the meetings held at Geneva. As the right hon. gentleman acted as high commissioner for some time he is in a better position than any other member of the government to answer my question. I respectfully ask him to answer me on the point; I insist upon an answer because I say I have spoken about a matter of great concern.

Some hon. MEMBERS: Carried.

Mr. POULIOT: No. Will the acting Prime Minister leave the impression that he refuses to express the views held by the government on a question so important as the one I have raised? Everywhere this is a matter of great concern, and yet it would seem we are indifferent to it. If we are indifferent let us drop all these votes for the League of Nations and such other lines of endeavour. I have asked a straight question and I do not understand why I should not receive a straight answer.

[Mr. Pouliot.]

Some hon. MEMBERS: Carried.

Mr. POULIOT: No. If it is passed it will be passed on division.

Item agreed to on division.

Amount required to meet loss on exchange, subject to approval of the treasury board, $200,000.

Mr. DONNELLY: What is the explanation of this item?

Sir GEORGE PERLEY: It was found that in many countries where we have representatives the exchange was such that they suffered a great deal of loss in turning their Canadian cheques into the money of the country—in Switzerland, France, and I think one other country. We thought it only fair that an allowance should be made to these servants of the state to make up this loss occasioned by the rate of exchange which existed between the currency of the country in which they live and our dollar.

Mr. DONNELLY: Do we get any money back from them when the exchange is in their favour?

Mr. LAPOINTE: Does this apply to trade commissioners as well as members of legations?

Sir GEORGE PERLEY: Yes, to all our servants of the state in such countries.

Mr. LAPOINTE: That is only fair.

Sir GEORGE PERLEY: The amount is less this year than last.

Mr. POULIOT: Why do we have to vote this huge sum of $200,000? It is because the world economic conference of 1933 was a fiasco. One of the most important questions under discussion at the conference was the stabilization of currencies in order that there should be no such losses as the minister mentions. We heard the Prime Minister before that conference say that that question was of the utmost importance, yet nothing was agreed to at the conference. Although the Prime Minister saved the conference it died two or three days afterwards, and here we are voting $200,000 because that world conference of 1933 was a fiasco. Enough of that.

Mr. ELLIOTT: How long has this system been in vogue?

Sir GEORGE PERLEY: For two or three years I think, since the exchange was so difficult.

Mr. POULIOT: It shows another thing. It shows that when people pretend our dollar is above par that is a falsehood; for otherwise we would not have to vote this amount. The Canadian dollar is under par in several countries.

Item agreed to.

Canada's portion of expenditure of the imperial economic committee and imperial shipping committee and the executive council of the imperial agricultural bureau for 1935, $18,690.

Sir GEORGE PERLEY: This is for the purpose of paying our share of the expenditures of the two committees and the bureau named, in which all the dominions are interested with the mother country. For instance, I read in the house the other day the arrangement that had been made by the imperial shipping committee for lowering the rates in connection with the Hudson Bay route.

Mr. MOTHERWELL: Has this vote any relationship to vote No. 50 under agriculture for contributions to empire bureaux? The Minister of Agriculture explained that item when it was before the committee, and this seems to be almost the same service in connection with the imperial agricultural bureau.

Sir GEORGE PERLEY: I can assure the hon. gentleman we will not pay the accounts twice.

Mr. ELLIOTT: What is the basis on which this amount is fixed?

Sir GEORGE PERLEY: I am sorry I have not the percentages here, but I shall be glad to get them for my hon. friend. Would he like me to send them to him?

Mr. ELLIOTT: I was wondering if it was on population, or what was the basis.

Sir GEORGE PERLEY: I shall be very glad to obtain the information.

Mr. MOTHERWELL: My own guess would be that this vote, or part of it, is to pay our share of the administration expenditure of the executive council of the imperial agricultural bureaux in the same way as we pay our share in connection with the council of the agricultural institute at Rome.

Mr. POULIOT: With regard to the work of the agricultural bureaux, I remember distinctly last year when the hon. member for Terrebonne (Mr. Parent) was speaking he mentioned something about Canadian dairy exports to Great Britain. He said that the Minister of Agriculture had said, to use his own words, that the United Kingdom market was the best market for Canadian dairy products. Then the Minister of Agriculture rose and said, "I did not say that." I wonder what the Minister of Agriculture meant when he said that in reply to the hon. member for Terrebonne.

Mr. WEIR (Melfort): I do not think I should be asked to give an answer to that question. I endeavoured to follow the first "this" and "that" and then the next "that" and "this," but I would rather have the direct statement in front of me before giving an answer.

Mr. POULIOT: The minister should not be fresh with me. I will tell him exactly what happened. The hon. member for Terrebonne said to the minister—I have this distinctly in mind and I have it upstairs in print and could get it in a moment or two—that the minister had declared that the United Kingdom was our best market for Canadian dairy products, and the Minister of Agriculture replied to the hon. member for Terrebonne, "I did not say that." Now, without using anew the word "that," may I ask what the minister meant by such a reply. I have stated the case to him very clearly.

Mr. WEIR (Melfort): Before I give any answer, Mr. Chairman, I feel that I should read the statement for myself, because what I said might have depended on certain conditions. The value of the market might have been under consideration, or the volume of goods it was possible to absorb, or the price in one particular market for certain dairy products as compared with another market.

Item stands.

Progress reported.

At eleven o'clock the house adjourned without question put, pursuant to standing order.

Monday, April 8, 1935

The house met at three o'clock.

PRIVILEGE—MR. LAPOINTE

Hon. ERNEST LAPOINTE (Quebec East): I rise to a question of privilege. I see in a report in the Montreal Gazette of this morning the hon. member for Winnipeg North Centre (Mr. Woodsworth), speaking in that city, is reported as having said:

There was no difference between Liberal and Conservative in any case, he explained. Both Liberals and Conservatives for instance, have

joined forces and voted solidly against letting the dominion mayors present their case in parliament, and that was typical of any important question aired in the house. An amendment to the budget asking for a public works program had been ganged up on in the same manner.

First, I never voted against hearing the mayors of the dominion; I voted to sustain the ruling of the chair that the motion of the hon. member for North Winnipeg (Mr. Heaps) was not in order and could not come under standing order 31 of the rules of the house. Second, I never voted against an amendment asking for a public works program. Third, if the records of the house are looked into for the last three or four sessions, it will be found that the hon. gentleman voted with the government a good deal oftener than I did. Apart from that, the statement may be correct.

CRIMINAL CODE AMENDMENT

DEFAMATION OF PERSONS, OR GROUPS ON ACCOUNT OF RACE, COLOUR OR RELIGION

Mr. MICHAEL LUCHKOVICH (Vegreville) moved for leave to introduce Bill No. 51, to amend the criminal code (Libel).

Some hon. MEMBERS: Explain.

Mr. LUCHKOVICH: The purpose of this bill is to prevent the uncalled for defamation of persons or groups on account of race, colour or religion. I would not have brought this matter up, sir, if it had not touched on a very vital and fundamental principle of national life because such defamation cannot have any other effect than to set up race against race, religious groups against religious groups, and cause unnecessary dissension among the people of this country. This amendment to the criminal code is intended to stop and prevent offences of this nature. My plea is on behalf of all aliens, or citizens of foreign origin, no matter from what country they may have come, and generally speaking all citizens who happen to be victims of this kind of defamation, to the end that the unity of the country may be preserved and the disruption thereof prevented.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

RIDEAU CANAL—BRASS' POINT BRIDGE

Mr. CAMPBELL:

1. Were repairs or construction completed on the Rideau canal at Brass' Point bridge?
2. What was the nature of the work and the total cost?
3. What was the amount used and cost of each of the following: (a) lumber; (b) cement; (c) stone; (d) clay; (e) gravel; (f) hauling stone, clay, gravel?
4. What was the total amount paid in wages and to whom paid?
5. Who selected the men for this work?
6. Were any precautions taken to see that these men were taken from those on relief?

[Mr. Lapointe.]

Mr. MANION:

1. Yes.

2. The work consisted of: (a) jacking up the swing bridge clear of the pivot pier; (b) enclosing the pivot pier (including the north rest pier) within a coffer dam banked with clay; (c) pumping the water out of the enclosed piers (stone-filled timber cribs) and removing the stone and timber of the old pivot pier crib down to clean bed rock; (d) placing 12 large rock-bolt-anchors and rebuilding the pivot pier in concrete; (e) replacing the pivot and swing circle, and lowering the bridge into place. The total cost of the above was $4,612.44.

3. Amount used and cost of: (a) lumber, 14,078 ft. b.m., $644.29; (b) cement, 750 bags, $418.13; (c) stone, 24 cubic yards, $6; (d) clay, 264 cubic yards, $132; (e) gravel, 100 cubic yards, $140; (f) cost of hauling stone, clay and gravel, $408.48.

4. Total amount of wages exclusive of teamwork was $2,387.88, paid as follows: N. R. Walsh, $190.08; N. Eastman, $193.60; A. Harris, $191.40; F. C. Ball, $171.20; J. Todd, $142.40; D. Kish, $105.60; H. Wise, $139.20; W. S. Hogan, $139.20; H. Baker, $140.80; J. Donaldson, $104.80; H. Ducette, $102.40; R. Hagerty, $99.20; N. Veal, $100.80; G. Martin, $134; J. Seabrooke, $116; H. C. Peck, $107.60; J. Duffe, $48; W. McKane, $62.40; E. Martin, $49.60; J. Murphy, $49.60.

5. The extra men required were selected in accordance with long established departmental practice.

6. No information.

SENATE VACANCIES

Mr. POULIOT:

1. Were there any vacancies in the Senate on February 7, 1933?
2. If so, how many, what were they and on what date did each of those seats become vacant?
3. Since then, were there any other vacancies in the Senate?
4. If so, how many, what were they and on what date did each of those seats become vacant?
5. Was each of the above mentioned vacancies filled?
6. If so, when?
7. If not, what are the seats which are still vacant?

8. Did the government save any money by delaying the appointments to any such vacancies?

9. If so, how much?

Sir GEORGE PERLEY: Mr. A. E. Blount, Clerk of the Senate, has submitted an answer to this question in a memorandum based on unofficial records of the Senate. Mr. Blount states that the Senate have no means of knowing the exact date when a vacancy occurs and that the dates given are based on personal knowledge and newspaper reports. The answer submitted is as follows:

1. Yes.

2. Eight vacancies: 1 in Nova Scotia, May 8, 1932; 2 in New Brunswick, December 27, 1932, January 11, 1933; 1 in Quebec, January 23, 1933; 2 in Ontario, August 8, 1932, November 10, 1932; 2 in Saskatchewan, August 1, 1932, December 14, 1932.

3. Yes.

4. Eleven vacancies: 2 in Nova Scotia, January 22, 1934, January 28, 1935; 1 in New Brunswick, September 25, 1933; 4 in Quebec, June 20, 1933, September 12, 1933, January 6, 1934, March 3, 1934; 3 in Ontario, August 25, 1933, December 1, 1933, June 25, 1934; 1 in Manitoba, February 2, 1934.

5. No.

6. Appointments were made as follows: 2 for Quebec, December 30, 1933; 3 for Ontario, December 30, 1933; 2 for Saskatchewan, December 30, 1933.

7. 3 in Nova Scotia; 3 in New Brunwick; 3 in Quebec; 2 in Ontario; 1 in Manitoba.

8. Yes.

9. Such sums, based on attendance, as would be payable under the provisions of the Senate and House of Commons Act.

Note: The vacancies in Quebec are De la Durantaye, Shawinigan and Rigaud.

There are no specific divisions for senators in the other provinces.

LEO F. CAIN

Mr. MICHAUD:

1. Has Leo F. Cain, barrister, at Fredericton, New Brunswick, been employed by the government or any department of the government in any capacity, since September 1, 1930?

2. If so, in what capacity and what amount was he paid for his services?

Mr. CAHAN:

1. Yes. August 14, 1933.

2. Representing the Department of Pensions and National Health legally in the case of a prosecution. $65.

MONTREAL POST OFFICE—TRUCKS AND MOTOR CYCLE.

Mr. POULIOT:

Regarding the statement of the Hon. Postmaster General, on March 26, 1935, Debates, page 2265, what became of the eight trucks and the motorcycle mentioned by the hon. minister, since May 1, 1932?

Mr. SAUVE:

The eight trucks were sold to contractor J. E. Laurent.

The motor cycle was transferred from Montreal to Ottawa postal district.

EMERGENCY TREATMENT FOR VETERANS

Mr. CHEVRIER:

1. In cases of great emergency occurring when government offices are closed, are there any special arrangements made by the Department of Pensions and National Health to provide veterans entitled to treatment through the department with the hospital and surgical attendance required?

2. If so, what are those special arrangements?

3. Have pensioned veterans been informed as to whom they should call at night in cases of emergency, so as to receive the prompt hospital and surgical attendance required?

4. Is there any special indication amongst the government's list of telephones in the Ottawa telephone directory with reference to that special official on duty from 5 p.m. to 9 a.m., if any?

5. If, from lack of information, a veteran entitled to treatment through the department and requiring an immediate operation is rushed to a near hospital and is operated upon by a surgeon not on the official list of the department, will he have to bear all expenses incident to his hospitalization, or will the department accept the responsibility of such expenses at the pro rata of what would have been paid, had the patient been treated through the department?

6. What is the hospital in Ottawa exclusively recognized by the department?

7. What are the names of the surgeons in Ottawa exclusively recognized by the department for treatment of veterans?

8. Have veterans of Ottawa been informed of the existence of such preference, if any, and how?

9. Has a list of medical and surgical men on the official list, if any, been supplied to all pensioned veterans of the Ottawa district?

Mr. SUTHERLAND:

1. Yes.

2. Medical officers are detailed for duty when government offices are closed.

3. Yes.

4. Yes. Name, residence and telephone number of chief medical officer and of assistant district administrator are listed in Ottawa telephone directory.

5. The department may occasionally accept responsibility for privately incurred expenses if the circumstances warrant such action. Each individual case is dealt with on its merits.

6. The department has a contract with the Ottawa Civic hospital, but cases have occasionally been treated in the Ottawa General hospital.

7. Dr. C. A. Young, a member of the Ottawa Civic hospital and the Ottawa General hospital, is the part-time salaried surgeon appointed by the civil service commission for general surgery and Dr. H. D. Courtenay for special surgery. Dr. William Hutchinson and other surgeons are paid a consultation fee if and when necessary.

8. Pensioners in Ottawa have been informed of their entitlement to treatment through the department and have been notified that applications for treatment or other inquiries should be made to the district office.

9. Pensioned veterans of the Ottawa district have been notified to apply to the Chief Medical Officer, District Office, Ottawa, Ontario.

BONAVENTURE COUNTY, QUE., WORK BY DAY LABOUR

Mr. MARCIL:

What works have been authorized to be done by day labour in Bonaventure county, from the 1st of January, 1935, up to date?

Mr. STEWART (Leeds):

Gascons—Repairs to south and north wharves.. .. .. $4,700
Gascons West—(Anse à la Barbe)—Repairs to both jetties.. 1,087

GEORGES DUCASSE

Mr. FONTAINE:

1. Is Mr. Georges Ducasse, of Val Brillant, in the employ of the government?

2. If so, since when, what position does he occupy, and what salary does he receive?

Mr. CAHAN:

1. Yes.

2. October 4, 1934. Official receiver under the Farmers' Creditors Arrangement Act. $150 a month.

CANADIAN FARM LOAN ACT

Mr. SEGUIN:

1. When will the farm loan scheme provided for in the new act be put into operation?

2. Where and to whom should interested parties apply in order to secure a loan?

Mr. RHODES:

1. The act will come into operation when passed and assented to.

2. Canadian Farm Loan Board, Ottawa, or its provincial officers.

[Mr. Sutherland.]

TAX FREE BONDS

Mr. POULIOT:

1. What was the total amount of dominion tax free bonds in circulation on May 2, 1933?

2. What was the total annual interest of those bonds during the twelve months preceding May 1, 1933?

3. Was there any conversion of the said tax free bonds since May 2, 1933?

4. If so, when and for what amount?

5. Are there still unredeemed dominion tax free bonds?

6. If so, for what amount and what is the annual interest of same?

Mr. RHODES:

1. Amount outstanding, $773,620,350.

2. $42,095,764.48.

3 and 4. $169,971,850 of tax-free bonds matured November, 1933, and were replaced by a taxable issue. $276,687,600 of tax-free bonds became taxable on the same date by the terms of issue.

5. Yes.

6. Amount outstanding, $326,960,900.
Annual interest thereon, $17,529,544.

CANADIAN NATIONAL RAILWAYS—TIES

Mr. FONTAINE:

1. Has Mr. Georges Ducasse, of Val Brillant, sold ties to the Canadian National Railways since 1930?

2. If so, how much was he paid for them, where were they shipped to, and what was the cost of freight?

Mr. MANION: There have been a number of other questions on the order paper this year in regard to this same matter. I have explained a number of times that I have no information and can get no information regarding it. The matter is one concerning which the railway take the attitude that they should not give out information. I have no objection to the hon. member writing to them directly, and if they give him the information I am content, but I have no power to get it.

Mr. SPEAKER: Question dropped.

TRADE NEGOTIATIONS WITH JAPAN

Mr. NEILL:

1. Has the Japanese government approached the dominion government for an agreement or guarantee to increase the purchase of Japanese products?

2. If so, on what lines of Japanese produce was it suggested that there should be an agreement or guarantee by Canada to increase the purchase?

3. What method of preference was proposed to be employed?

Sir GEORGE PERLEY:

1. No. Some informal discussions regarding trade relations between Japan and Canada have taken place.

2 and 3. Answered by No. 1.

SEPT-ILES, QUE., WHARF

Mr. CASGRAIN:

1. Is the government aware that the public wharf at Sept-Iles was destroyed and carried away by a storm last autumn?

2. Does the government intend to undertake the building of a new wharf this year?

3. If so, what location has been selected at Sept-Iles for the construction of such wharf?

4. Will the money required for such an undertaking be voted at the present session?

Mr. STEWART (Leeds):

1. It is reported that the wharf was badly damaged and part of the outer end carried away.

2. Matter under consideration.

3 and 4. Answered by No. 2.

QUESTIONS PASSED AS ORDERS FOR RETURNS

MONTREAL POST OFFICE BUILDING

Mr. JEAN:

1. Do the specifications for the new post office building at Montreal call for any particular kind of stone?

2. What is the kind of stone specified and what is the clause of the specifications respecting stone?

3. To whom was the contract for the supply of stone originally awarded, and on what terms?

4. Who is at present supplying the stone, and what are the terms of the contract?

5. Is the stone being supplied at present and to be supplied in future, the one specified and from what quarry does it come?

6. If the contract for the supply of stone has been let to another party, why has such a change been made?

Mr. STEWART (Leeds): Return tabled herewith.

CURRENCY IN CIRCULATION, AND AUTHORIZED

Mr. DORION:

1. What was the total amount of paper currency chartered banks were authorized to have in circulation (a) at March 31, 1921; (b) at March 31, 1930; (c) at March 31, 1935, the Bank of Canada being included in the figures at the last date indicated?

2. What was the total amount of coins of all denominations whose circulation was authorized (a) at March 31, 1921; (b) at March 31, 1930; (c) at March 31, 1935?

3. What was the value of gold coin and bullion held by the different banks (a) at March 31, 1921; (b) at March 31, 1930; (c) at March 31, 1935, the Bank of Canada being included in the figures at the last date indicated?

4. What was the value of gold coin and bullion held by the Department of Finance (a) at March 31, 1921; (b) at March 31, 1930; (c) at March 31, 1935?

DU CHÊNE RIVER AT THE MILLE ÎLES, QUEBEC

Mr. POULIOT:

Referring to the statement made by the Hon. Minister of Public Works on April 3rd, with regard to the digging and filling at the outlet of the du Chene river at the place called Les Mille Iles, in the county of Laval-Two Mountains,—

1. What was the depth of the du Chêne river at that place (a) before and after such digging, and (b) before and after such filling?

2. On whose property was put the soil, sand, rock or stone coming from the boulder shoal area mentioned by the Hon. Minister of Public Works in the statement referred to?

3. Is the du Chêne river navigable or not?

4. If so, was (a) such digging and (b) such filling approved by order in council and, if such was the case, on what date?

5. If not, did the bottom of the river in which and on which such digging and filling were made belong to the province of Quebec or to any private individual or individuals?

6. If such is the case, did the government secure the authorization of the province concerned or of the said individuals before undertaking (a) such digging, and (b) such filling?

7. On what precise date and from whom?

Referring to the statement made by the Hon. Minister of Public Works on April 3rd, with regard to the digging and filling at the outlet of the du Chêne river at the place called Les Mille Iles, in the county of Laval-Two Mountains,—

1. Who recommended (a) such digging, and (b) such filling to the Department of Public Works with dates of the day, month and year?

2. In what year were (a) such digging, and (b) such filling made, and how much time was spent: (a) for such digging, and (b) for such filling?

3. Was that work done by contract or by day labour?

4. In the former case, were tenders asked for?

5. If so, what was the name of each tenderer and the amount of each tender: (a) for such digging, and (b) for such filling?

6. In the latter case, how many men were employed: (a) for such digging, and (b) for such filling?

7. What total amount was paid: (a) for such digging, and (b) for such filling?

8. From what precise date to what precise date (indicating day, month and year) were (a) such digging, and (b) such filling completed?

9. On what length, width and depth was the said du Chêne river (a) so dug, and (b) so filled?

10. From time immemorial, was there any other (a) such digging, and (b) such filling undertaken at that place by the government?

UNEMPLOYMENT RELIEF STATISTICS

Mr. CHURCH:

What was the total spent annually on unemployment relief and direct aid to the provinces and municipalities therefor during the years (a) 1921 to 1930; (b) 1931 to end of 1934?

Mr. CAHAN: Return tabled herewith.

NOTRE-DAME DE L'ISLE-VERTE, QUE., PUBLIC WORKS

Mr. POULIOT:

1. Was any expenditure made by the Department of Public Works at Notre-Dame de l'Isle-Verte, Quebec, under Public Works Construction Act or otherwise, since 1930?
2. If so (a) what was the total expenditure each year; (b) what amount was paid each year to each man for material and for labour?

Mr. STEWART (Leeds): Return tabled herewith.

MOTIONS FOR PAPERS

WOODMAN'S BEACH, BONAVENTURE, QUE.

Mr. MARCIL:

For a copy of all accounts for materials and paylists in connection with work done at Woodman's Beach, Bonaventure county, in 1934.

DU CHÊNE RIVER AT THE MILLE ÎLES, QUEBEC

Mr. POULIOT:

For a copy of all plans, sketches and profile plans in the possession of the Department of Public Works, showing any digging and filling at the outlet of the du Chêne river, at the place called Les Mille Iles, in the county of Laval-Two Mountains, since 1930.

For a copy of all reports, telegrams, resolutions, and petitions in the possession of the government, respecting any digging and filling at the outlet of the du Chêne river, at the place called Les Mille Iles, in the county of Laval-Two Mountains, since 1930.

FARMERS' CREDITORS ARRANGEMENT ACT

Mr. POULIOT:

For a copy of rules and regulations passed under the Farmers' Creditors Arrangement Act, 1934, including scales of salaries.

UNITED STATES MINISTER

EXPRESSIONS OF REGRET AT THE DEATH OF HON. WARREN DELANO ROBBINS

On the orders of the day:

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): Mr. Speaker, I am sure that this house will consider it fitting that reference should be made to-day to a very unfortunate occurrence, the sudden and untimely death in New York yesterday of the Hon. Warren D. Robbins who was United States Minister to Canada. Mr. Robbins was appointed to this office about two years ago. He had then been a member of the diplomatic service of the United States for some twenty years or more, and had held posts in many places as representative of his country, among others Portugal, France, Berlin and Rome, also Argentina, Chile and Central America. Besides that he had at intervals served the State Department as advisor and delegate at various international conferences. Mr. Robbins therefore brought to Canada an unusually wide experience of world affairs. He established very friendly relations here, officially and socially, with the people of Ottawa, and he and his wife made for themselves a distinctive place in the life of this country. During these two short years we have reason to appreciate not only his skill and fairness but also the able way in which he put forward the views of his own government, and helped to interpret his country to Canada and also our Canadian views to his own country. He was ill in New York for about a week; this was not supposed to be very serious until Friday or Saturday, and on Saturday night he passed away. He was only in his fiftieth year and therefore might have looked forward to many more years in the service of his country in the career in which he had so distinguished himself.

This government has already sent messages of sympathy to Mrs. Robbins and also to the government of the United States, but as I have said, it seems to me only fitting that we should make reference in this house to-day to this very sad occurrence, and should express our regrets at Mr. Robbins' most untimely and sudden death, and our sympathy with Mrs. Robbins and family. I would therefore ask you, Mr. Speaker, with the consent of the house to convey to Mrs. Robbins our feelings in that regard.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Mr. Speaker, may I say that I wholeheartedly agree with the right hon. acting leader of the government in regarding it as most fitting that this house should express its feeling with respect to the untimely and sudden death of Mr. Warren Robbins, the late Minister for the United States at Ottawa. Mr. Robbins' passing constitutes the first break which has been occasioned by death in the diplomatic corps in Ottawa during the eight years of its existence. Although Mr. Robbins had been resident in Ottawa only for two years, his kindly personality was such that he had come to be known by most of the citizens of the capital, and certainly by all of us who have to do with public affairs, and I am sure his death will be deeply felt very much beyond official circles. I had expected that my right hon. friend would make the felicitous reference he did to the appreciation which the government felt of the manner in which the late minister's official duties were performed. Personally, I, naturally, did not have any official relations with Mr. Robbins, but I was privileged to enjoy a

rather intimate friendship with him, and he always impressed me as a man who had uppermost in his mind the thought of furthering the best of friendly relations between the country which he represented and the country to which he came. He was by no means exclusive in his friendships and sought to have men, to whatever political party they might belong, feel that he was concerned above all else with what might best serve the common interest. As the acting leader of the government has just said, Mr. Robbins might well have looked forward to many years of useful public service. His death will be the more keenly felt not only in that it was so unexpected but because his own country as well as other countries have been robbed of his large experience and helpful spirit in matters pertaining to international affairs.

Personally and on behalf of all hon. members on this side of the house may I say that we would wish to join with hon. gentlemen opposite in having an expression of sympathy of the entire house conveyed to Mrs. Robbins and to the members of the family of the late minister, as well as to his mother, all of whom have been so greatly bereaved. Might I add that I think it would be equally appropriate to extend our expression of sympathy to the President of the United States in the loss he has sustained not only through the death of his representative in this country but in being bereaved of one who was also a relative.

Sir GEORGE PERLEY: I may say, Mr. Speaker, that a message of sympathy is being sent the President of the United States by the King, through the Governor General and the minister at Washington.

Mr. ROBERT GARDINER (Acadia): Mr. Speaker, it was with deep regret that we learned of the untimely death of the Hon. Warren Delano Robbins, diplomatic representative of the United States to Canada. His death was wholly unexpected. The acting leader of the government (Sir George Perley) and the right hon. leader of the opposition (Mr. Mackenzie King) have already paid fitting tribute to his memory. May we in this corner of the house be associated with that tribute, and may we join with other members in expressing to Mrs. Robbins and her family our deep sympathy.

SESSIONAL EMPLOYEES

On the orders of the day:

Mr. W. F. GARLAND (Carleton): I should like to ask if it is the intention of the government to retain and pay the sessional employees now employed, during the Easter adjournment.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): The Speaker of the house consulted with the internal economy commission, and it was considered that although this Easter recess is longer than usual, the staff should be treated in the same way they always have been treated at the Easter recess.

DISTURBANCE AT PROJECT NO. 42

On the orders of the day:

Mr. C. A. CAMPBELL (Frontenac-Addington): I wish to direct a question to the Minister of National Defence (Mr. Stirling). I am sorry I was not able to do so before the house opened, but I have only just returned to Ottawa after spending the week end at my home. I understand that at project No. 42, which is under the Department of National Defence, there has been some considerable disturbance during the past week. It has not amounted to a riot or anything like that, but considerable amounts of goods were missing. I understand that the mounted police have discovered these goods but that no arrests have been made. Rumours are flying around—

Some hon. MEMBERS: Question.

Mr. CAMPBELL: My question is whether the government have been advised of this matter and, if so, whether they are taking any action. I mention it because the men in charge of the project—

Some hon. MEMBERS: Question.

Mr. SPEAKER: The hon. member has asked his question.

Hon. GROTE STIRLING (Minister of National Defence): I did not clearly catch the remarks of my hon. friend, but I shall be glad to read them in Hansard and give him an answer to-morrow.

RECIPROCITY NEGOTIATIONS

On the orders of the day:

Mr. A. W. NEILL (Comox-Alberni): The leader of the government was kind enough to promise me an answer to-day to a question I asked on Friday in connection with the progress of the reciprocity arrangements.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): In reply I would say that it is too early to make any definite statement as to the progress of trade negotiations with the United States. The authorities of that country have only now completed the public hearings required under their trade agreements act. No reciprocity negotiations are under way with Japan.

WAYS AND MEANS

OBJECTION TO PROLONGED ADJOURNMENT EXPRESSED IN AMENDMENT TO MOTION FOR COMMITTEE

Hon. E. N. RHODES (Minister of Finance moved that the house go into committee of ways and means.

Hon. ERNEST LAPOINTE (Quebec East): Mr. Speaker, before you leave the chair I desire to make a few remarks concerning a matter which I believe to be of great importance to this house and to the country, and I intend to conclude with an amendment to the motion. I desire to speak—and I hope it is not too late—on the intimated intention of the government to ask this house to adjourn for the protracted period of five weeks. I believe this suspension is not in the public interest or in the interests of the country, and I wish to give a few reasons for my conviction in that regard.

Everyone will agree, Mr. Speaker, that when parliament is summoned for the dispatch of business it must be kept in session from day to day in a continuous way. I remember having heard the present Prime Minister (Mr. Bennett) quote Sir Wilfrid Laurier to that effect. A few years ago, the last time a motion of this character was before the house, this question was discussed and I well remember what was then stated by leading members of the house, some of whom are now members of the government and others of whom are still members of the house. I should like to take the liberty of quoting some of the expressions of view then given. There are many members of this house who were also members in 1926, when conditions were of an unusual character. The general election of 1925 had been inconclusive, due to the fact that the verdict had not been decisive. Neither of the two great parties in Canada had received a majority of the votes, and the balance of power was obviously in the hands of a certain group of independent gentlemen who had been elected either as Progressives, as United Farmers or as Labour members. The government took the only course which was logical and constitutional under the circumstances, and summoned parliament to meet at the earliest possible date after the last writs of the elections had been received.

The house met on January 7, 1926. Upon that occasion I had the honour to lead the government, due to the fact that my right hon. leader who had been very active everywhere in Canada except in his own constituency had suffered defeat in North York. No humiliation attaches to that fact because the same had happened to Sir John A. Macdonald, Sir Wilfrid Laurier, Sir Robert Borden —indeed, to all the great statesmen of Canada.

However, the fact was that he was not in the house. The first business was to decide which party was to form the government of Canada for the period of that parliament. Immediately upon the opening of parliament the question of confidence was put before the House of Commons, the then leader of the opposition, Right Hon. Arthur Meighen, mentioning the fact that nine ministers including the Prime Minister had been defeated. A debate on the subject ensued in an endeavour to ascertain who had the confidence of the majority in the house, and the final division which took place on January 14 revealed by a vote of 123 to 120 that the then government should continue until the end of that parliament.

The following Monday, namely on January 18, the first business which must always be considered, namely the address in reply to the speech from the throne, was moved. The debate on this motion continued until February 1, at which time a division was taken on an amendment moved by the right hon. leader of the opposition. The address was not voted. I notice some hon. members smiling; undoubtedly they will remember the circumstances. On February 2, I moved:

> That when this house adjourns immediately after the conclusion of the debate on the address in reply to the speech from the throne, it stand adjourned until March 15, 1926.

I must remind the house that at that time the Prime Minister was in the midst of an election campaign in the constituency of Prince Albert, that there was no minister elected for the province of Ontario, that other ministers had been defeated and that there was a very urgent need and necessity for a reorganization of the government, something which could not be done in the absence of the Prime Minister, or at a time when he was fighting an election in the constituency of Prince Albert. As hon. members will recall, the motion was strenuously opposed. I am not complaining; I am simply relating the facts, and laying before this chamber the doctrine expounded by hon. members then sitting in the house. I have many quotations, but shall refer to only a few of them.

At page 633 of Hansard for 1926, Sir Henry Drayton is reported as follows:

> But there are other considerations, Mr. Speaker. The whole machinery of parliament, such as it is, is running. I wonder if hon. gentlemen ever stop to think what that means. It means that we have upwards of three

hundred employees, if not more—I do not pretend to give a definite figure, but I know my figure is approximately correct—at work in connection with this machine. Parliament was called. and they are all here. Commitments have been made, and everything is now to stop simply because a moribund government is to try to resuscitate itself.

I shall not quote the observations of the late member for East Algoma, Mr. Nicholson. At page 639 of Hansard the hon. member for Muskoka-Ontario (Mr. McGibbon) is reported as follows:

Now I say again that this government has not the slightest right to ask parliament for an adjournment for even one hour. The business of this country must be looked after. We have a great army of unemployed workingmen who hardly know where they are going to get their daily bread, and if this government remains in power much longer the people will be coming here and praying, not to heaven but to the government: Give us this day our daily bread. I say that the business of the country must go on; this government or some government must function. This government has proved itself absolutely incapable of carrying on, and some other government must be put in its place.

Then, the hon. member for West Calgary (Mr. Bennett) the present Prime Minister is reported:

Now, look at another part of the speech from the throne. I observe, for instance, that they say certain of the departments of the public service will be consolidated with others, and government services more effectively coordinated.

Just as in this year.

There is a statement of a fact, or of an intention, at least, to implement a promise by legislation. I submit that this legislation must be known to this government; they must know now, they must have known when they asked His Excellency to meet this house; they must have known at that moment what departments were to be wiped out, and what departments were to be coordinated. Therefore that legislation must be ready for this house to consider. Is it right, or just or fair; is it consonant with sound and decent principles of integrity that they should ask this house to adjourn now in the face of that direct promise with respect to legislation? I ask my hon. friend then what departments of the public service will be consolidated, and if the legislation is ready. If he cannot answer that question he should not have put those words in the mouth of His Excellency when he met this parliament. They either know or they do not know. If they do konw we should be told; if they do not know they have deceived parliament and the people of this country.

Then at page 640 the same hon. member is again reported:

I name these things for this reason, because they indicate clearly that if this government was sincere—and I use that word not offensively—if it meant what it said by the language put in the mouth of His Excellency when it met this parliament, then they have a legislative program ready for this house to consider. If they have no legislative program ready, they should have said so; but if in saying they have a legislative program ready they have deceived us, then I submit they are not entitled to an adjournment under any conditions.

And again at page 642:

That is a matter which doubtless they can settle with their constituents, but I know mine did not send me here to sit, then to adjourn for six weeks, and come back when the spring is here and the summer months coming on, when men grow listless in the discharge of their duties; but rather they sent me here at the season and time parliament is called upon to function to discharge my duties to the best of my ability.

At page 642 Mr. Bennett says:

If a program is ready—you cannot deny it, because if you do, you have put something in the mouth of His Excellency that was not true and have deceived the people—if you have the program ready, proceed with it. There is business enough to engage the time of this parliament till the Prime Minister comes back. There are trade treaties to consider, the reorganization of departments, and surely we do not require his massive eloquence for the purpose of enabling us to pass this legislation.

At page 643 he said:

I ask them (the government) to consider this: In all seriousness do they for a moment think that to ask this house to adjourn for six weeks for the reasons given, under the circumstances stated, is to do other than to bring into still greater contempt than they are now held, the institutions under which democracy flourishes in Canada.

My hon. friend the Minister of Justice (Mr. Guthrie) made quite a number of remarks, but I shall give only a few quotations. At page 644 he said:

It raises a very practical issue with each hon. member in this house. We have come from various parts of Canada, and some of us from very distant parts. We have made our arrangements to remain here during the session of parliament to continue our residence in Ottawa until our parliamentary duties have been performed. Now the government proposes to put us in such a position that we shall have to disrupt these arrangements, make new arrangements at great personal inconvenience, and in many cases at great personal loss.

Then at page 645 of Hansard he said:

Have we not an interest in the matter? I submit we have. The whole country is watching us to-day; the whole country expects us to continue to perform our duties, to advance and to pass the legislation which the government says it has ready and which it has promised to bring down to the house.

I have so many quotations here, Mr. Speaker. I have one from my friend from Mount Royal (Mr. White), a very witty one, but I will pass it over. There are many from

the new member from East Toronto (Mr. Church), then the member for Toronto North-west Centre, and he spoke with great eloquence. Others who spoke against the adjournment were Mr. Ladner, who is no longer here, Mr. Hocken, Mr. Bristol, Hon. J. W. Edwards, and I must say that some of them were rather vituperative in their language. Here is one from my hon. friend from Marquette (Mr. Mullins) at page 673 of Hansard. He was rather mild. He said:

I know my constituency and western Canada very well, and I know that those who sent us here to carry on the business of this country, and legislate, and legislate quickly, will resent any adjournment of this house.

Then the leader of the opposition of that day, Mr. Meighen, said at page 676 of Hansard:

What is the situation of hon. members here? They have come here and some of them have taken up their abodes for the session. Some have given up their homes. Their families are here. They are to be asked to sit for six weeks in idleness, or to spend it in practically worthless visits to their constituencies. They are asked to do so for no good reason, and for no reason imaginable, except to meet the inconveniences of the members of the administration brought upon themselves by their own folly. But what are the other reasons? What are the reasons against the adjournment which go deeper than the convenience of hon. members of this house? Is this session a necessary session? Is this country in need of a lead from the government? Is this dominion in need of a solution of imperative and pressing problems? Hon. members of the administration themselves have never tired of thundering this in our ears.

The then hon. member for Vancouver Centre (Mr. Stevens) said at page 680 of Hansard:

But the government ask for a blank cheque.

That was a crime then. He went on:

They ask for blind authority from this parliament, without reason, without excuse, to agree to a lengthy adjournment.

Then my hon. friend the Minister of Railways (Mr. Manion), who is always very nice in his expression, said at page 728, quoting the English Liberals:

Mr. Gladstone said something along the same lines in an article which he wrote in 1887. He said: "Individuals may recover from even serious sickness. It does not appear to be the way with governments." It is the opinion of all those whose writings I have had the pleasure of reading that once a government is ill it rarely recovers. This government is seriously ill. It has no more chance of recovery than if it were already dead and buried. In fact, I believe burying is about the only thing that has not been done to it so far.

Mr. MANION: Better than I thought.

[Mr. Lapointe.]

Mr. LAPOINTE: I am going to give a still better one. My hon. friend (Mr. Manion) went on to say:

I have another quotation which I ran across, also by a politician and a Liberal—Mr. Spender was a Liberal; Mr. Gladstone was a Liberal and Lord Rosebery was a Liberal. Lord Rosebery said: "Inevitable political catastrophe only becomes more overwhelming by delay."

And my hon. friend added, at page 731:

And if the members of this house are to go home for six weeks and ministers of the crown wander about the country to the four points of the compass, there will be less chance still of anything being done to stabilize matters in Canada. What we ought to do is to put out, bag and baggage, this government so-called which is in power to-day.

Mr. SMITH (Victoria-Carleton): Past history.

Mr. LAPOINTE: What does my hon. friend say? Is he sick? The present Prime Minister at page 734 of Hansard said:

The truth is that the government of this country say, "We want an adjournment of this parliament because we want it." That is all—"because we want it." Not because there is any reason; not because there is any reason of economy that you can name. Here are a large number of civil servants brought together for the purpose of maintaining this House of Commons in session. They are to go back to their respective homes and a quarter of a million dollars is to be lost—because it means that at least so far as service is concerned.

The Right Hon. Mr. Meighen said at page 676 of Hansard:

We are asked to go home for six weeks and do nothing more, and all this when the occasion is so critical, as described by members of the government themselves...

All these solutions which demanded attention at the hands of parliament can wait, in order that the government may take a varying and nebulous attitude before the constituencies in Canada and help repair their own fortunes.

I come to the last quotation, which to me is a very important one. It is one from my very good and right hon. friend, the acting leader of the house (Sir George Perley), who at page 785 of Hansard said:

Then I come to some other reasons why we object to this adjournment. The least important consideration is the convenience to members of this house, and I mention this fact as one of those to whom it would be least inconvenient, inasmuch as I live in the city of Ottawa. But it appeals to me strongly as most unfair and unreasonable to bring members from all parts of Canada to this city and send them away after a session of two or three weeks. . . . Then there are public reasons. There are many urgent problems to be discussed and settled, problems which I need not recount here. Other members who have spoken in the debate have referred to these matters, some of which are to be found in the speech from the throne while others have been discussed by members on both

sides of the house both in parliament and on the platform in the last election. The people of the country feel that these questions ought to be dealt with with a firm hand as soon as possible and I do not believe that they will be satisfied to have this government force an adjournment of six weeks.

Sir GEORGE PERLEY: May I ask the hon. gentleman a question? Was the adjournment for six weeks at that time?

Mr. LAPOINTE: I am going to give all the details to my right hon. friend, and they are of a certain interest.

Mr. HANSON (York-Sunbury): It's a great sham fight, isn't it?

Mr. LAPOINTE: My hon. friend may talk about sham fights but if he is inviting me, I shall talk about him.

Those were the views expressed at a time when the Prime Minister was unavoidably absent and when many of the ministers could not be present before the reorganization of the cabinet. I call the attention of the house to the fact that at that time there was no legislation which exempted a newly appointed cabinet minister from appearing before his electors for reelection. An appointment of a minister meant a vacancy in the house and I must confess that the majority at that time was not sufficient to permit of many additional vacancies. These reasons were given day in and day out before the vote was taken. An amendment was moved by the then member for Vancouver Centre (Mr. Stevens), seconded by the present acting Prime Minister (Sir George Perley) and reading as follows:

> This house having been called in session at the instance of the present government, and a number of legislative and other proposals submitted for its consideration by said government in the form of a speech from the throne, it is the duty of the house, should the address in reply to the speech from the throne be adopted, to proceed with the public business until same is disposed of—

The vote was taken on February 5 and the motion to adjourn was carried by a vote of 120 to 112, a majority of eight. Immediately afterwards, on February 8, the debate on the address resumed. Other amendments were moved because the adjournment was to take place only after the address had been debated. The debate continued until February 16, when the then hon. member for Nelson (Mr. Bird) moved the previous question in order to preclude more amendments being moved to the address. The address continued until March 1 when I was compelled to give notice that on the following date the debate would not be further adjourned. On March 2 the motion of the then hon. member for Nelson was voted upon and the address in reply was also voted upon. This meant that the house would adjourn until March 15 but this vote took place exactly one month after the motion for adjournment had carried. The adjournment was only for thirteen days because of these tactics. During all this time the house was not transacting necessary business, all that occurred was a discussion of futile political matters to prevent the adjournment of the house. The will of the majority of this house was thwarted because there had been a majority vote on March 2 for adjournment. On March 15 the house resumed its work and my right hon. friend took his seat. That was one of the best times in my life because I was only too glad to hand over to him the work I had had to do during those hectic times. He then began the reorganization of the cabinet.

How can those hon. gentlemen who took such a firm stand at that time against adjournment ask us to vote at the present time for an adjournment of five weeks? This is the sixth session of this parliament and ordinarly it should have ended last year. Only twice has a Canadian parliament gone the full limit of its time. We were told the other day that the life of this parliament will end on August 18 but as a matter of fact it has already gone beyond the time normally given to parliaments.

Mr. MACDOUGALL: No.

Mr. LAPOINTE: It would be useless to discuss this with my hon. friend.

Not only have we reached the limit of the life of this parliament but the people of the country have expressed in an emphatic way a lack of confidence in the present government. It is a well known maxim of representative government under British rules that the government must possess the confidence of the country as well as of parliament. I quoted authorities to that effect. I should like to refer to the expressions of opinion which have been given by the people of Canada during the last two years. There was a by-election in South Huron on September 26, 1932, and the Liberal majority was increased from 349 to 1989. There was a by-election in Yamaska, on October 23, 1933, when the old Liberal majority of one was increased to 84. This is not a large increase but the present majority is 84 times that of the old majority. At the by-election held in Mackenzie, on October 23, 1933, the previous Independent majority of 3,076 was changed to a Liberal majority of, 1,614. In the by-election held in Restigouche-Madawaska on

the same date, the previous Conservative majority of 548 was changed to a Liberal majority of 6,472. In the by-election held in South Oxford on April 16, 1934, the previous Liberal majority of 55 was increased to 1,493. In the by-election held on September 24, 1934 in West Elgin the previous Liberal majority of 1,437 was increased to 2,493. In the by-election held in Frontenac-Addington on the same date the previous Conservative majority of 3,371 was changed to a Liberal majority of 2,651. In Kenora-Rainy River on the same day the Liberal majority was increased from 502 to 6,165. In North York a Conservative majority of 298 was changed into a Liberal majority of 3,687. In East Toronto the Conservative majority at the last election was 7,075. The present member won a personal victory, but he had 2,143 fewer votes than the Liberal and Cooperative Commonwealth Federation candidates combined.

In every provincial election which has taken place during those two years the Liberal party has been returned to power, winning a decisive victory, and in every one of those provincial campaigns federal issues were generously discussed. Indeed I heard at eleven or twelve o'clock in the evening on the eve of the general election in Ontario the speech of the Prime Minister (Mr. Bennett) in a slumber hour address to the electors of that province asking them to elect Mr. Henry. It is impossible to deny the fact that the Conservative party—and I am sorry for many of my hon. friends opposite—has been shattered and has suffered the most humiliating defeat in its history. Popular discontent has started to grow into a blizzard. They have decided—and of course that was their business—to remain in office in the hope of some miracle happening before the end of their term to prevent their complete destruction. That is a policy of fear and distrust of the people. It looks as if my hon. friends opposite were shivering on the brink.

In this parliament vacancies have occurred which have not been filled. This session is supposed to be a most important one when a whole new program of social reform is to be put into effect and the necessary legislation enacted. Have the electors in those constituencies not a right to be represented in this house while this program is being discussed? In Halifax and Long Lake notice of the vacancies were signed on October 9, 1934; if I mistake not, that will be six months tomorrow. In St. Denis the notice was signed on October 30, 1934, and in East Algoma notice was signed on January 4 of this year.

I shall not refer to the vacancy which occurred recently in Montmagny. There is a vacancy also in Saint John, but it happened during this session, but the first three vacancies I mentioned occurred in the course of last autumn. Surely in an ordinary parliament, a government administering the affairs of the country in normal circumstances and not afraid of going before its judges, could have issued the writs and permitted those constituencies to be represented. Under such conditions I claim that this parliament has no moral jurisdiction for legislating.

This so-called social reform program has been propounded in the shadow of an impending election. The old order has gone, as we were told over the air and in the house. I admit the old order has gone as far as parliamentary government and constitutional practice are concerned. We had the speech from the throne on January 17, and I shall now refer to the program placed before the house in that speech and ask hon. members how that program has been fulfilled, and whether we have a right to go home for five weeks when the greater part of this program has not even been considered. I read this in the speech from the throne:

> Reform measures will therefore be submitted to you as part of a comprehensive plan designed to remedy the social and economic injustices now prevailing, and to ensure to all classes and to all parts of the country a greater degree of equality in the distribution of the benefits of the capitalist system.

How this has been done, I fail to see. Second:

> Better provision will be made for the security of the worker during unemployment, in sickness, and in old age.

What has been done under this plan? We have had a bill to provide for unemployment insurance. This bill is still before the Senate and important witnesses are being heard before its committee on banking and commerce. We do not know whether the bill will be changed there and whether we shall not have to work on it again when it comes back from the other house. That is for unemployment insurance, but has anything been done for the security of the worker in sickness, as was stated in the speech from the throne would be done? Nothing at all, except the commissioners for unemployment insurance will have a right to inquire into the conditions of public health in Canada. As regards old age, nothing at all has come before us. Surely if the government is going to proceed with legislation affecting these various subjects, we

should have such measures before us and consider them instead of going home for five weeks.

Again I quote from the speech from the throne:

> Action will be taken to ameliorate the conditions of labour, to provide a better and more assured standard of living for the worker, to secure minimum wages and a maximum working week, and to alter the incidence of taxation so that it will more directly conform to capacity to pay.

With regard to ameliorating the conditions of labour, what has been done? The eight hour day bill is I understand also before the Senate and they are hearing witnesses before one of their committees. Even this eight hour day bill is not I think very satisfactory to labour in Canada. The bill to secure minimum wages and a maximum working hour is still on the order paper for second reading. Why should it not be moved in the house so as to let us deal with this matter instead of adjourning for five weeks?

As regards the phrase:

> To alter the incidence of taxation so that it will more directly conform to the capacity to pay.

What does that mean? The changes in the budget? I fail to see that they are altering the incidence of taxation in order to help those who cannot pay. However those changes are before the house and they have not yet been touched. We have not so far considered them and before we are asked to study the various changes of taxation, we are asked to go home for five weeks.

Again the speech from the throne states:

> You will be invited to enact measures designed to safeguard the consumer and primary producer against unfair trading practices and to regulate, in the public interest, concentrations in production and distribution.

That no doubt refers to the price spreads committee, and I do not see why the house should adjourn in order that legislation may be prepared resulting from the work of that committee. Every session we have important committees sitting on important matters, and legislation is prepared during the session while other business is before the house and while members of parliament are proceeding with their work.

The speech from the throne continues:

> You will be invited also to enact measures to provide the investing public with means to protect itself against exploitation.

Well, we have been told that there would be a bill to make unlawful the issue of no par shares, but this has not been done so far. If the government is going to do it why not do it? Why not introduce legislation to that effect and let the members of parliament work on that legislation instead of going home for five weeks?

The speech from the throne proceeds:

> My government has under consideration the adoption, throughout the penitentiaries of Canada, of a system similar to that which is known in England as the Borstal system, and is making investigations as to its operation.

My hon. friend the Minister of Justice (Mr. Guthrie) said when his estimates were before the committee last Thursday that he has that in mind, that it is his intention to establish this system, but that there are technical matters to consider and that he is going to send the superintendent of penitentiaries to the old country for the purpose of making inquiry as to how the system works there, which means further delay. Why not proceed with this thing, or why not have proceeded earlier? The chances are that even with the adjournment of five weeks it will not be ready until the next session.

Mr. GUTHRIE: There is no legislation required for this.

Mr. LAPOINTE: Then why not establish it?

Mr. GUTHRIE: Because we do not know enough about it.

Mr. LAPOINTE: But the minister stated that in the speech from the throne.

Mr. GUTHRIE: But not as a matter for legislation.

Mr. LAPOINTE: Parliament has nothing to do with it then?

Mr. GUTHRIE: No, the Penitentiaries Act would provide the authority to establish that system in the penitentiaries.

Mr. LAPOINTE: Then it was hardly worth while putting it in the speech from the throne.

Mr. GUTHRIE: I thought it was an important announcement.

Mr. LAPOINTE: The speech from the throne continues:

> My ministers have under consideration a plan for the reorganization of the government services so that they may be better equipped to discharge the onerous duties which devolve upon them. You will be invited to consider measures, the purpose of which will be to authorize the first stage in this plan of reorganization.

Well, nothing has been done so far as this new coordination of departments is concerned. If it is to be done, surely in the language of the Prime Minister when he was member

for Calgary in 1926, why put it in the mouth of His Excellency if it is not to be done, and if it is to be done, why not do it instead of sending us home for five weeks?

As to the economic council, there was legislation as far as that goes.

Then we have other legislation on the order paper. There is one very important piece of legislation:

That it is expedient to bring in a measure to establish a board to be known as the Canadian grain board with power to purchase, receive and take delivery of wheat, oats, barley, rye and flax-seed, or any one or more of such grains for marketing and to sell, store, transport and market such grains, and to provide for the appointment of such clerks, employees and assistants as may be necessary, and to provide for their remuneration and for the expenses of, and arising out of, the operations of the board.

This notice was given a long time ago, why has nothing been done in that respect? The grain producers and the grain trade are all anxious to know what is going to happen. The taxpayers of Canada, not only in the west but in the east also, are anxious to know the results of the operations of this mystery man, Mr. McFarland. I find it rather queer that while this thing is not discussed in parliament, when you open the morning papers, as we did this morning, we read an interview with this Mr. McFarland saying what he is doing and what he is going to do with the wheat of the west. I think that should be said in the parliament of Canada; it should be discussed here instead of in the newspapers. There is also the Canadian farm loan bill which is still in the Senate, where they hear witnesses in regard to it, and we do not know in what shape or form it will come back when it does come back.

I have related the work that has been done, or rather the work that has not been done. I claim, sir, that it is an extraordinary presumption on the part of the government to ask for an adjournment of this house under those conditions, and it would be extreme simplicity on our part to agree to an adjournment under these conditions. In the country there is anger and impatience; unemployment is raging. Is it fair to ask us to suspend the work of parliament for five weeks while there is such distress in Canada, and without any definite program of public works or of unemployment relief proposed for the consideration of parliament? If the government has a plan let them give it to this house. We are not living in an age in which mystery men can long hide their trick boxes. All we have had is a patchwork quilt of paternalistic proposals and a conglomeration of half-baked measures. Our attitude the government surely cannot complain of, we on this side have exercised great restaint even under provocation. Nothing has stood in the way of the government's measures except the uncertain and doubtful validity of their methods.

Take the budget debate; my hon. friend the Minister of Finance has delivered his budget. There has been a discussion on it in which twenty-two Conservative speakers were heard besides the Minister of Finance, and they used fourteen hours and forty minutes of the time of parliament. The hon. gentlemen to my left had five speakers who used three hours and ten minutes. The Liberals had two speakers besides my hon. friend from Shelburne-Yarmouth (Mr. Ralston) and they were heard for an hour and twenty minutes—

An hon. MEMBER: What about the hon. member for Témiscouata?

Mr. LAPOINTE:—and while this was going on every one knows the lack of interest there was in the proceedings of the house. Hon. gentlemen opposite were not even staying to listen to their own friends. So much so that the leading newspaper in this city had an editorial entitled "Parliament is Through." Well, I agree with it. This parliament is suffering from senility, and the government which is in control seems to be afflicted with paralysis. An adjournment of five weeks would be only soporific, it would be only a sleeping dose given to a dying subject.

An hon. MEMBER: You are supplying the dose.

Mr. LAPOINTE: No, I am very much alive, I shall prove it when the time comes. I am pleased that the acting leader of the house did not give as a justification for this adjournment the trip of the Prime Minister. We all regret his illness, and we hope that this trip will help him to recover fully. But that is no reason why the house could not and should not proceed. I am pleased also that the presence of the Prime Minister in London is to be rather a social function and that there will be no formal conference as in 1911 and 1917, when the Prime Minister had to go as an ex-officio member of the imperial conference, which has become a permanent institution. We were told by the acting Prime Minister (Sir George Perley) that nothing would take place except informal conversations. I was glad to hear that statement, because there have been rather alarming reports to the contrary. The Round Table, which as everyone knows is a leading, well informed periodical in connection with imperial matters, in its

issue of March, 1935, at page 217 in an article headed The Commonwealth and the World, had this to say:

> The gathering of empire prime ministers which is to take place this spring in connection with the jubilee of the Kings accession to the throne will be the most important imperial conference since 1926. That conference laid down the principles upon which the British commonwealth itself was to rest. The forthcoming meeting, though not technically an imperial conference, will be called upon to lay down the basis for the future foreign policy of the commonwealth in the very changed conditions that have come into being in the last nine years.

Further it says:

> It is quite clear that decisions of the utmost gravity, affecting the policy to which both Great Britain and the dominions are to commit themselves in Europe, in the Pacific, and towards the collective system generally, will have to be taken in the near future. More than ever the British commonwealth is the chief unifying and stabilizing factor in the world. But it will only maintain that position if its members are agreed among themselves both about the facts with which they have to deal and the policy which they will jointly pursue.

Obviously those gentlemen were wrong, and I am very glad to accept the statement of my right hon. friend that nothing of the kind will happen. It would not be fair, especially to Canada under the present circumstances, because we on this side of the house and many people throughout the country believe the present government have not the right to speak for Canada on matters of such importance.

I have another question on which I should like to say a word, in connection with this celebration. There has been a report which has come to my ears, at all events, to the effect that advantage will be taken of this celebration to distribute many new titles of honour to Canadian citizens. I hope that will not be the case. Last year the house divided on this question and the Liberal party unanimously, the independents and even some of the Conservative members voted against this institution of titles in Canada. I claim that under the circumstances a title is only a Conservative badge, because the Liberals and other parties are opposed to them. It is not fair to the crown to advise the continuation of an institution which is obnoxious and abhorrent to a large majority of the Canadian people, especially when it is supported by a government which no longer has the right to speak for the Canadian people. Only last week we saw the effect of titles on the mentality of a man. After the name of the new governor general was announced, a gentleman who was on the last list of honours gave an interview to the Toronto newspapers in which he said he had never heard of the man, and apart from that he was in favour of members of the nobility being appointed governors general of Canada. I am sure this gentleman was born an ordinary Canadian citizen with a sound mind, but I am afraid the fact that he has been given a title has brought chaos to his brain and mentality. We do not want that sort of thing, and the sooner it is done away with the better.

In that connection I should like to make a suggestion. It is sometimes said that we who take this stand on this question perhaps do not represent the majority of the people, and that we have not the right to say that the people think as we do. There is a very easy way to consult the people and find out for all time what Canadians want in that regard. We are going to have a general election this summer. Why not take a referendum at the same time and ask every voter in Canada whether or not he is in favour of titles? That will not cost anything and it will decide the matter.

In conclusion, Mr. Speaker, I claim that this parliament should be sitting during the jubilee festivities, as the imperial parliament will be sitting. His Majesty will even go to the imperial parliament to receive the address which will be voted by the House of Commons and the House of Lords. Could we not have the same celebration here, with an address to the crown, with parliament sitting? The place of members of parliament during this celebration is in Ottawa. Every member of parliament should take part in the official functions which will take place in Ottawa on May 6, and parliament should be sitting here at that time. Last week a leading newspaper, and a Conservative newspaper at that, discussing this proposed adjournment said that public interest must be the only consideration for parliament in the decision of this matter. It is this consideration of public interest that actuates me in moving, seconded by the hon. member for Antigonish-Guysborough (Mr. Duff).

> That all the words after the word "that" to the end of the question be omitted, and the following substituted therefor:
>
> Whereas this seventeenth parliament has held five sessions and is now concluding a sixth session;
>
> And whereas the limit of five years fixed by the constitution as that beyond which a parliament cannot legally continue in existence will very shortly be reached, and parliament itself will be legally dissolved by constitutional limitation of time;
>
> And whereas certain measures suggested in the speech from the throne at the opening of parliament on January 17 have not yet been considered or introduced;

And whereas it is obviously desirable that the time of the general elections should not be delayed beyond that which will permit of parliament duly concluding its sessional program;

Therefore be it resolved that this house is of the opinion that a period of adjournment at the Easter season beyond one week is not desirable, and that save for such brief and customary adjournment the public interest will be best served by parliament continuing in session until it has completed:

(1) the consideration of those measures mentioned in the speech from the throne and not yet introduced;

(2) the completion of the discussion of the measures already before the house and not yet passed;

(3) the consideration of such legislative proposals as may be rendered necessary or advisable by the report of the price spreads commission and the report of the special committee on housing.

Hon. HUGH GUTHRIE (Minister of Justice): Mr. Speaker, we have just listened with pleasure to a very long and interesting discussion of a great variety of matters by the hon. member for Quebec East (Mr. Lapointe). Many of the matters upon which he touched were entirely apart from the motion he has seen fit to move. Certainly the hon. member has given us an historical résumé of political events in this chamber during the rather hectic session of 1926.

Many will remember that nine years ago a rather odd situation developed in our parliamentary history, but I assert that that situation affords a very slight parallel, if any, to the situation now existing in this chamber. The session of 1926 opened under a government which had been practically slaughtered at the polls, and but for a crooked count and also some ballot box manipulations in the northwestern part of Canada the government would have come to parliament in an actual minority. The Prime Minister had been defeated by the constituents in his own riding, nine of his ministers had gone down to defeat, and the great province of Ontario was not represented in the House of Commons by a single minister. Under those circumstances any self-respecting government would have taken the course the people of Canada desired it to take, but the then government did not see fit to follow that course. They realized after the first vote in this house which indicated a majority of only two—

Mr. LAPOINTE: Three.

Mr. GUTHRIE: —a majority of three, that they were practically defeated. They could not elect new ministers, they had only the tag end of a government in the chamber and had no Prime Minister entitled to take his seat. Still they persisted in holding on and continuing in office. What did they suggest? Under conditions such as I have just pictured they solemnly moved in this chamber that the house stand adjourned for six weeks merely for their own convenience. Now hon. members opposite strenuously object to a proposal to adjourn the House of Commons four or five weeks, despite the fact that the government can give good and substantial reasons for its request.

All the quotations made by my hon. friend this afternoon from speeches made in parliament nine years ago, while perhaps interesting as political history, have no application whatsoever to the situation with which we are confronted to-day. Let us take a practical view of what the situation really is at the present time. My hon. friend suggests, and correctly so, that in the speech from the throne certain legislation was forecast for the present session. The most important legislation forecast was of a remedial or reform order, and largely dependent upon the report of a single commission known as the price spreads commission, previously a committee of this house. Hon. members opposite state that in former years committees of the house have sat for long periods, have reported and that during the same session legislation has been framed following their reports. I say to hon. members opposite that never in the history of the parliament of Canada have we had a commission which sat practically throughout the whole of the last session and which has continued as a royal commission to sit from the end of last session to the present moment and as yet has not reported. The commission has heard thousands and thousands of pages of evidence and, according to the newspapers, has produced a report about 250 pages in length, which report discusses some of the most important problems before the people of Canada to-day, and makes some of the most important suggestions for the most difficult and involved legislation which has in the past been or will in the future be placed before the parliament of Canada.

This is the eighth day of April. Ordinarily when Easter has intervened there has been a parliamentary recess varying from one week to two weeks; that has been my experience throughout many sessions. So that under ordinary circumstances, with no abnormal conditions, on the 18th or 19th of April next we might expect an adjournment of a week, ten days or two weeks. That would have been the case, even if there had been no report from the price spreads commission.

Having regard to the situation actually confronting us the government proposes an adjournment two or two and one-half weeks longer than the usual Easter recess. As a

ground for our request we ask the house seriously to consider the legislation we have yet to prepare and pass through the house. I submit that legislation could not fairly be drafted and considered under two or three weeks. I know something whereof I speak, so far as the preparation of involved and intricate bills is concerned, because I am sorry to say many difficult bills have to be prepared in the Department of Justice. Two or three weeks time would be required to prepare the necessary legislation, and the work of drafting cannot be begun until the report, which up to the present time is not before us, has been thoroughly considered. If that alone were the reason for asking the adjournment I submit our grounds would be sufficient to warrant an adjournment to May 20.

But there are additional reasons, as every person knows, for asking a longer adjournment at this time. One reason is that the head of this government, the Prime Minister of Canada, the minister who has taken the most active interest in the whole sessional program thus far presented and who will be mainly responsible for the program afterwards to be presented, will be absent from Canada until May 18 or 20. He is the head of the government; he is the first minister of the crown; he is the leader of the House of Commons, and I submit it is not only essential but absolutely necessary that he be present in this chamber to guide our deliberations when these important measures are introduced and carried through the house. Would any person suggest for one moment that the Prime Minister should continue his duties here rather than attend the silver jubilee in England? I submit any proposal of that kind would receive absolutely no support either in this chamber or throughout the country. He is bound to go to England; it is his duty to go; it is his privilege to go, and it would be a tremendous disappointment to the Canadian people were he not present on that wonderful occasion. If I am correctly informed—and I believe I am —the hon. member for Quebec East need not worry about imperial conferences which are going to take place in London or which would bind Canada in the future. My hon. friend need not pay much attention to the Round Table article which he read to the house. It has been stated in this chamber by the acting Prime Minister that there will only be informal conversations between the Prime Ministers of the self-governing dominions and the members of the British government. It is very fitting and proper that these conversations should take place, and it would be better in my judgment if they took place more frequently than they do.

In our parliamentary history there is an exact parallel for the present situation, an excellent parallel but one that my hon. friend hardly mentioned in his remarks this afternoon. He was a member in this chamber in the year 1911, so was I. There was a coronation ceremony to take place in London in 1911. The coronation was to take place in Great Britain in the month of June, and his present Majesty was to be crowned. There was also preliminary and concurrent with that event an imperial conference. The Prime Minister of Canada was not only invited to the conference but invited also to the coronation. I had the honour of being present at the coronation as one of the delegates from Canada. I think that Senator Béland and Senator Casgrain of the upper house and myself are probably the only ones of that delegation still remaining in public life, although I am not quite sure. I remember the pride we felt as the Prime Minister of Canada walked down the aisle of Westminster Abbey, the great representative of this country on that important occasion, and I rejoice to know that our present Prime Minister will be present on the twenty-fifth anniversary of the reign of that same monarch. When the question was raised in parliament in the session of 1911, Sir Robert Borden, then Mr. Robert Borden, was the leader of the opposition, and what was his attitude in regard to the matter? What did Sir Wilfred Laurier request? An adjournment of four or five weeks? No, an adjournment of two months in the middle of the session. The adjournment was granted on the nineteenth of May, and extended to the eighteenth of July. Was there any question of not granting one or two month's supply on that occasion? No, supply was readily voted. The way was cleared, and the Prime Minister of Canada attended the conference and attended the coronation, and parliament stood adjourned for two straight months save one day. Such was the attitude of the leader of the opposition in the then House of Commons. Mr. Robert Borden on that occasion expressed his pleasure and delight to concur in the proposal to grant Sir Wilfred Laurier the adjournment of two months which he requested. I have his language on that occasion before me now. Mr. Robert Borden, on the motion to adjourn, said at page 8712 of the Hansard of 1911:

> In conclusion I can only say that I am very happy indeed that the Prime Minister will be able to attend, both the imperial conference and the coronation.

And he did not divide the house upon the motion to grant a two months' adjournment. My hon. friend has endeavoured to cite precedents. This parliament by law certainly continues until the eighteenth of August. I know that there is a rather nice legal question whether it does not perhaps continue for a longer period until the date the last of the election writs was returned, but I can only repeat what I answered to my right hon. friend the leader of the opposition a day or two ago in reply to his question, that it has been the invariable practice to treat the date mentioned in the proclamation of the election for the return of the writs as the actual expiring date of that parliament. Parliament can legally exist certainly until the eighteenth of August. Oh but, my hon. friend from Quebec says, that such has not been the custom in the past. Well, it has been merely a question of the whim of the then government or of the then Prime Minister. I remember a very prominent Liberal chieftain in this country who said to me one day, "Guthrie, the time to go to the country is when you can win." That I think has been the guiding principle at every dissolution, and it is because we think we can win, that we are going in due time to the electors.

Mr. HANBURY: You will never have an election in that case.

Mr. GUTHRIE: Oh yes, we will have an election and we will be on this side of the house when the election is over.

What I submit, Mr. Speaker, is that we have made a reasonable and a proper request for an adjournment. I am not going to deal with many of the questions mentioned by my hon. friend from Quebec East. He mentioned the budget and the time it occupied in this house. We are all glad that the budget did not occupy much time but the budget did not lend itself to adverse criticism.

I notice that my hon. friend also touched upon the Borstal system and some other matters mentioned in the speech from the throne. But the real ground for this adjournment, Mr. Speaker, is the preparation of necessary legislation as a consequence of the report of the price spreads commission, expected this week. Any man that says he can deal within two or three weeks with the price spreads report, and the important questions which the commission has considered and developed, does not know the task he has ahead of him. We expect when we come back in May that all such legislation will be ready, and what is more, we feel confident that the Prime Minister will be in his place to direct the proceedings of the house.

I am very glad to conclude these remarks by quoting the support of the Toronto Globe for this proposal as it appears in an editorial in the issue of to-day. The Globe says:

> Liberals and independent members have protested against the long suspension of the sittings, and in some of their contentions there is much logic. Nevertheless, the unusual length of the recess will not be without its all-round advantages. Most Canadians will feel that it is eminently desirable that the dominion shall be represented by its Prime Minister at the King's jubilee ceremonies in London on May 6. There will be general rejoicing at the news conveyed by Sir George Perley that the improvement in Mr. Bennett's condition justifies every hope that he will be well enough to make the overseas journey and take his part in the festivities.
>
> True, it might have been possible, as the opposition leader suggested, to proceed with business in the Prime Minister's absence under arrangements which would permit Mr. Bennett to be present before prorogation. But, as the acting Prime Minister intimated, there is much to be done in the preparation of legislation, especially that proceeding from the price spreads and housing reports.
>
> Time and thought will be required in the framing of legislation which seeks to set right the many economic and social injustices revealed in the voluminous reports. It will be in the public interest that action shall not be hasty and ill considered, but rather that it shall represent judgments reached after earnest study and proper correlation of details.

These are very sound reasons for granting this adjournment, supported by the leading Liberal organ in the province of Ontario and probably in the whole dominion. Such is the case which I have been endeavouring to make, made probably far better by the Globe than any language of mine could make it. I appeal to hon. members in every part of the house that the proposal to adjourn is reasonable, it is practical, it is businesslike. It is what any government, I care not what government might be in power, would offer under similar circumstances.

Mr. WILLIAM DUFF (Antigonish-Guysborough): Mr. Speaker, to my mind the amendment moved by the hon. member for Quebec East (Mr. Lapointe) is the most important which has been moved in this house during the twenty sessions I have had the honour of attending this parliament. The Minister of Trade and Commerce (Mr. Hanson) was able to accept the present position which he occupies without appealing to his constituents. He has referred to this amendment as a sham but let me say to him that there are hon. members in this house and

people in this country who have just as good an idea of the conditions in this country as he has. I do not think it becomes one of His Majesty's privy councillors to make such a remark. If we are going to talk about shams we do not need to look to this side of the house or to hon. members on this side who feel that they should either move such an amendment or do as I have done, second it. Let me say to my hon. friend that when the people of this country read of this amendment in tomorrow's papers they will not consider it a sham. Many of these people have already come to the conclusion that this is a government of sham and camouflage and they will consider a motion to adjourn this house for six weeks as nothing more than a sham. I intend to try to show that there is no necessity for such an adjournment.

Because the right hon. the Prime Minister (Mr. Bennett) wants to attend the jubilee celebration is no reason why this house should be adjourned. We all sincerely regret that because of hard work the Prime Minister has been laid up on a sick bed for a number of weeks, but we have not been going around the country, as was done last year, to tell of the terrible physical condition of certain public men. I believe I voice the sentiment of all hon. members when I say I regret exceedingly that the Prime Minister has been ill. We on this side of the house want him to get well; the people of the country want him to get well. We want the Prime Minister to be able to lead his party whether it appeals to the country tomorrow or at the eleventh hour of the last day they can hold on to office. That is our position with regard to the Prime Minister.

I believe I have some idea of what the business people of this country are thinking. They want this government to go on with the business of parliament so that the session can be concluded as quickly as possible. My hon. friend read an editorial which appeared in the Toronto Globe. That newspaper is generally considered as being a Liberal newspaper but my opinion gained from a reading of it for a number of years is that it is independent. I should like to quote from an interview given by the gentleman who owns the Truro News, a Conservative paper.

Some hon. MEMBERS: Oh, oh.

Mr. DUFF: I do not know why my hon. friends should laugh because there is no question but that the proprietor of this newspaper is a Conservative. The article reads:

A. R. Coffin returned to Truro Friday from a two weeks' business trip to Montreal, New York and Philadelphia.

It concludes:

Speaking with the editor Mr. Coffin expressed the opinion that business in Canada shows an indication to slow up until after the general election and until the question of governmental policy is definitely settled so that industrialists in particular can feel safe to take the road forward.

The business people of this country want us to stay here until the business is completed, no matter how long or short a period it may take. Let me tell the Minister of Justice (Mr. Guthrie) that we are not acting as the opposition did in 1926 and at other sessions. We realize that the quicker this legislation is passed the better it will be. The legislation suggested by the bedtime stories the Prime Minister told in January should be brought down and passed so that this government may have the full responsibility of such legislation. They can then appeal to the country and let the people decide whether or not they are in favour of returning this government to power.

The proposal for this adjournment has given us an opportunity to judge just what kind of a government we have on the treasury benches. They came to us a few days ago and suggested an adjournment but they did not know the exact date on which the adjournment was to commence. The acting Prime Minister (Sir George Perley) has said that he is willing to leave it to us to decide when we shall go home before Easter. He has not named the exact date for the adjournment as has always been done. This shows that the government does not know what they should do. As I said a moment ago, we all regret the illness of the Prime Minister but is it fair that 244 members of this House of Commons and 86 members of the Senate should have to leave here with our business incomplete to go home for six weeks and then return on the 20th May because of that illness? We will all be put to great expense and inconvenience. The public affairs of the country should not be treated in that way. Apparently there has been considerable criticism of this proposed long adjournment and the other day my right hon. friend threw out a sop to the members of parliament when he said that they would receive their travelling expenses to and from their homes. I say to him that that should not be necessary. After all, the taxpayers of this country will have to pay this money. Because one man is not able to attend to his parliamentary duties, the taxpayers of the country must pay the travelling expenses of 244 members of the House of Commons and 86 senators

The announcement is made to-day by the acting Prime Minister that the employees attached to the House of Commons and the Senate will be paid their salaries during this six weeks adjournment. I am in favour of paying good wages as I believe the labourer is worthy of his hire but I say to the acting Prime Minister and the ministers who sit behind him that they have no right to take the people's money to pay these employees for six weeks. These employees will not be doing anything and it is not necessary. The fact that this statement has been made is not going to settle this matter in the minds of the electors of the country.

Mr. MACDOUGALL: It is the fair thing to do.

Mr. DUFF: Yes, it is the fair thing to do; but if anybody is going to pay those sessional employees, it is the members in the house who will vote against the amendment and the members of the government which is asking for this adjournment, who should pay, and not the taxpayers, 700,000 of whom are out of employment while the rest are struggling along the best way they can. If my hon. friend and his colleagues want to pay those employees, well and good; I have no objection to that, but the government has no right to take the taxpayers' money in order to pay the stenographers, sessional clerks and everybody else for the next six weeks while this adjournment is in progress.

We had a very interesting discussion of this matter by the Minister of Justice (Mr. Guthrie). He rather laughingly suggested that we should not go back to the days of 1926 and read in the house statements made by him and others during that period. However history has a way of repeating itself, and sometimes we cannot do better than go back in history in order to discuss certain matters in connection with public affairs or anything else. He said that there was no parallel between what is happening to-day and the reason for asking this adjournment and the situation in 1926. The Minister of Justice is quite correct and I agree with him, but the situation to-day is greately exaggerated in comparison with what it was in 1926. It is true that in that year we had a certain political issue that was not settled perhaps as well as it might have been, but the economic condition then was entirely different from what it is to-day. People throughout this country, men in employment, men in business are anxious that this government should bring down all its legislation and should appeal to the electorate at the earliest possible moment.

So I say to the Minister of Justice that there is no parallel between financial and economic conditions in 1926 and to-day.

My hon. friend also referred to the fact that in 1926 the then government did not have very many ministers elected, and he told us that in Ontario no ministers were elected. As I said a moment ago, the only way in which this government can appoint ministers is by act of parliament; now that the act has been changed, they do not have to go to the country. But even in the constituency of the Minister of Trade and Commerce (Mr. Hanson), if he had had to appeal to his constituents for reelection, I have no hesitation in saying that there would be a great difference between the vote he received in 1930 and the one he is likely to get in the next general election. Therefore, while those ministers were defeated at that time, I have no doubt the same fate will overtake many ministers of this government. We must not forget also that the Canadian people have spoken in every by-election. They did not have a chance in connection with ministers, but whenever they had a chance, they voted against the government with very large majorities.

I do not know whether the Minister of Justice or I should discuss the matter of the price spreads commission, but perhaps I may say just a word. I agree with him that this commission has laboured strenuously for more than a year, and I understand it has cost the country some $560,000. I have not seen the report and I do not know who is giving out the information. The ex-Minister of Trade and Commerce (Mr. Stevens) has of course on platforms and in pulpits been giving out information as to what the commission should or should not do and so forth. As to whether this was the proper way to proceed or not I have no hesitation in saying it was against all parliamentary usage. This is the first time in the history of the country that the report of a commission before being brought down, has been made the subject of broadcasts throughout the dominion and speculation as to what it is likely to contain. The newspapers must have got their information somewhere, and from press reports it looks to me, if I may say so without offence, that the mountain has laboured and brought forth a mouse. After spending $560,000; after bringing auditors from all over Canada to go into the books of different concerns; after bringing witnesses from all parts of the dominion and after paying special investigators huge sums of money, what does this report in the newspapers tell us? Practically all this commission asks the government or parliament to do is

to appoint seven or eight other commissions. In other words, we are to appoint seven or eight other commissions to look into the business of the Canadian people. We are going to have, I suppose, doctors, lawyers, professors and everybody else trying to run the business of the country by different commissions as is being done under the so-called Marketing Act instead of men trained in various industries. If that is the only suggestion this commission can make, then they have not dealt properly with the price spreads investigation. However I am willing to wait for the report; perhaps after all there may be something good in it. But I do not agree with the government that it is necessary to have a six weeks' adjournment in order to give them time to consider the report of the price spreads commission. Of course in this country under our democratic system there are certain things which are kept secret. For instance the meetings of the cabinet are not supposed to go out to the public; meetings of commissions in camera are not supposed to be made public; but you, sir, will agree with me when I say that the government, not to-day, not last week but for perhaps weeks or months have known from time to time what this commission had in their minds and what they were going to report. So there was no difficulty in my hon. friends, who sit on the treasury benches, the members of the government, drafting certain legislation with regard to the report which the price spreads commission will make. If I am not mistaken, the Prime Minister in those wonderful fairy tales which he gave us over the radio in January referred to the legislation which would be brought down in connection with the price spreads investigation. He had advance information, and if he knew practically what should be done, why should we wait not only from January to April before the government is ready with its legislation but for another six weeks?

While we regret the Prime Minister's absence, I think I may say without offence that we have no guarantee that he will be able to return to parliament by May 20 even after a long adjournment, although of course we all hope he will get back. I want to say this to the acting leader of the government, the Minister of Trade and Commerce, the Postmaster General and other members of this government: Under the circumstances you are not doing so badly. We have treated you pretty decently and fairly; we have helped you with the legislation; we have not held up any. If we had held up legislation; if we had fought every item introduced by the government for a week or ten days or longer as my hon. friends across the floor did in 1926, there might be some cause for complaint. But we have helped the acting leader of the government, and in the interests of the country, seeing that he has done fairly well under the circumstances, he should carry on, bring down the legislation and deal with it. If we are to adjourn, we should adjourn from Thursday of holy week until the following Tuesday when we should proceed to deal with the public business no matter how long or short a time this may take. But it is not in the interests of the taxpayers and the business men who are waiting for some lead from somebody, from either this government or a new one, that we should have this long adjournment at this time. If there is anything in my hon. friend's argument that the reason for this adjournment is that they want the Prime Minister to go to the jubilee celebrations and also that they are embarrassed by his absence, as I assume they are to a certain extent, why did not my right hon. friend ask for an adjournment some eight weeks ago? From the bulletins which were being issued and the statements of the doctor regarding the Prime Minister's health the acting Prime Minister several weeks ago, must have known that the Prime Minister could not come back to this house for six or eight or ten weeks. That was the time to ask for an adjournment, if he and his colleagues could not get along without the Prime Minister. But why ask for it now, when the Prime Minister is getting better and the government is getting along fairly well with its legislation? Why send 244 members of parliament and 84 senators back to their homes and disrupt the whole business of parliament and of people who have business to do in this country?

The Minister of Justice (Mr. Guthrie) made another excuse for the long adjournment. He said: If we adjourn now we would get through the business of the house and there would likely be very great criticism in the country because the government would not appeal to the people within a short time after the house prorogued. He said that the time to go to the country is when you can win. Well, that is an intimation to the people of the country that the Minister of Justice and his colleagues—because I assume he was speaking for them—realize that they dare not face the people now. They have to wait until the last minute of the eleventh hour, but they will find it will make no difference no matter when they dissolve this house. It is most unfair. We shall find that the writs will be issued at the very last minute, and the people will be given a chance to defeat this government only at the very last day that the election can possibly be held.

The Minister of Justice also said that the reason that we on this side did not criticize the budget or speak against it was that it was not open to criticism. Well, Mr. Speaker, I think everyone will admit that there was not much in the budget except the figures, and the financial statement gives perhaps the correct figures of the financial standing of the country but even then it is nothing to write home about. We did not criticize the budget—why? Because it is a diabetic budget. We had a diabetic budget two years ago when there was a tax of two cents a pound put on the poor people's sugar, and this year they bring in another diabetic budget. Last year they reduced the special tax on sugar to one cent a pound, this year they did not take off that one cent, but they took the duty off biscuits which are used for people who have Bright's disease. That is the kind of budget they give us.

It seems to me, sir, that the government of this country is not treating this house right or treating the people of this country as they should be treated. The hon. member for Quebec East (Mr. Lapointe) read a number of quotations from what some hon. members of parliament said with regard to the adjournment in 1926. They show conclusively that the present Prime Minister, who no doubt is more responsible for asking for this long adjournment than anyone, in 1926 fought with all the vigour he could against a long adjournment. It does not make any difference what the reason was, the fact is that the present Prime Minister fought against it. Not only did he, but Sir Henry Drayton had this to say:

> Certainly before this motion should ever pass, the house ought to know what this government intends to do in the vacation.

Now we would like to know what this government intends to do in this vacation. It is not enough for them to say that the Prime Minister is going to the jubilee and they want to wait until he comes back. It is not enough to say, as the Minister of Justice said, that they want to bring in legislation following the report of the price spreads commission, because that legislation could have been ready long before this. Sir Henry Drayton said about the government of that day, we should know how this broken-up, broken-down government is to be reconstructed. I say that the reason for this adjournment is to try by some sleight-of-hand method to reconstruct this government and its policy before they go to the country. They realize that the radio addresses of the Prime Minister of January last fell flat; in my opinion and in the opinion of many the Prime Minister is a poor politician—he should have held these speeches back until he was ready to come to parliament with some question on which he could force dissolution so that he could go to the country on it. But instead of doing that he gave himself away in these speeches which he made over the radio, with the result that the people of the country do not take any stock either in his promises or his dealt-bed performances.

Mr. LOUCKS: He does not believe in playing party politics.

Mr. DUFF: The hon. member was nominated as a Tory a few days ago, was he not? The Prime Minister can play party politics just as well as you or I. Anyone who says the Prime Minister does not play party politics is not fair to him. If there is anything at which the Prime Minister is adept it is that.

Sir Henry Drayton also said:

> We have wasted, if this adjournment is to take place, practically a month's time discussing an issue which my hon. friends opposite now say they are incompetent to handle, and they must have six weeks' time with a view to seeing whether the dead bones can again be made to function.

That is certainly very applicable to this government, because if ever there was a government of dead bones, this government, members of which made all the promises they did in 1930 and did not carry them out, is dead from the heels up.

The government should not ask us to vote for this adjournment. The government should carry on and get through with its business. I have no hesitation in saying that all over the country the expectation was that we should of course adjourn for a day or two at Easter, but we should not have to adjourn for six weeks. Is it fair to you and to me, Mr. Speaker, who came here in January thinking of course that with the "ability" of the Prime Minister and his colleagues they would go on with the business and get through the session at the earliest possible moment? We never anticipated any such proposals as this. We rented apartments, agreeing to pay a large sum of money per month to the end of the session; now if this adjournment takes place it means that scores of members of this house have to pay rent for their apartments and for electric light and telephones during the six weeks' adjournment. I say that is not fair to members of this house. The government have no right to ask the house to await the drafting of legislation arising out of the report of the price spreads commission, because my hon.

friends could have it ready to-morrow morning; anyway when the bill does come down it will be found that there is not a great deal in it. My hon. friends are certainly not going to the country with a lot of legislation about price spreads which is going to lose them more votes than they are going to lose anyway.

This country is in such a condition that there should not be an adjournment. I have word from different parts of the country that they want the business of the government carried on. The trouble is that we are not only sick in the body politic but the country is sick economically. My hon. friends made certain promises to this country. There is a man named Heinz who makes pickles of 57 different varieties, and they are mostly good, but the same cannot be said of the 68 different variety of promises made by the Prime Minister in the election of 1930, and which he has not endeavoured to carry out. The people have waited for five years and they now demand that the government go to the country in order that business may be stabilized and that they may know what government they are going to have for the next five years.

I said a moment ago that this country is sick in the body politic and the body economic. We heard something about bulletins. I am going to refer to a bulletin which has come to me recently in regard to the health of this country. It says that the country is in very bad shape, it is in a neurotic condition, it has paralysis of peristalsis—

An hon. MEMBER: What is that? It sounds like Beauharnois.

Mr. DUFF: My hon. friend should not talk about Beauharnois after the government handing it over to Sir Herbert Holt and the friends of the Prime Minister. If he wants to hear about Beauharnois I might tell him something he does not like. It is de-watered enough.

Not only has this country paralysis of peristalsis; it also has cataleptic paraplegia, due to promises made by the Prime Minister which were never carried out.

An hon. MEMBER: What is that?

Mr. DUFF: It means that the country's trade is paralyzed. When this government took charge in 1930 we had $2,500,000,000 worth of foreign trade. Under this Tory government in the last four years that has decreased to $800,000,000. That is paraplegia, if my hon. friend the doctor from North Renfrew does not know what it means. This country has lost most of its trade, and this bulletin, which I am going to give the acting Prime Minister so that he can consult his colleagues about it, says the country also has coronary thrombosis. The trade of the nation has gone down so far that the blood of the nation is not flowing freely, and it is suffering from stagnation due to the policies of this government. The bulletin also says the country has icterus.

An hon. MEMBER: What is that?

Mr. DUFF: The country suffers from stagnation due to the policies of the Tory party, the high tariffs with consequent loss of trade. But, sir, this bulletin says that in spite of the dangerous condition of the patient, this great country of Canada, if an operation is performed—in other and more simple words, an election—a cholecystectomy, with proper care and a blood transfusion, and an election followed by a new government, the patient will recover. This bulletin is signed by Doctor Vox Populi.

Now, sir, I leave this bulletin with the acting Prime Minister in order that he may refer it to his colleagues as soon as possible. In the last four or five years under this government conditions in this country have reached a very deplorable state. In seconding this amendment, therefore, I say we should adjourn only from about the 17th or 18th until the following Tuesday. Let us go on with the business of this country; let us stay here, whether it takes a week, a fortnight or a month. It is not fair to the members of this house, to business men or to the taxpayers of this country that we should have to go home for six weeks and then come back and stay here for perhaps half the summer.

Mr. J. K. BLAIR (North Wellington): Mr. Speaker, a few moments ago the Minister of Justice (Mr. Guthrie) said the adjournment was made necessary by the fact that legislation was not ready. If that is the reason I think the house should have been adjourned some time ago, because it seems to me that the members opposite have been holding up their own government day by day to enable them to prepare legislation.

The Minister of Justice said we had not discussed the budget. During this session there has been a tendency on this side of the house to keep rather quiet. There was perhaps a little touch of sympathy over here for a dying party, and it would not become a doctor to lay before a dying patient all his sins and transgressions. But the leader of the government has asked us to enumerate some of those sins and transgressions for the benefit of the people, and we think perhaps it might be well to comply with his request. It is not

customary for a person at the wheel of a car to ask a person in the back seat what should be done. If the person in the back seat wants to tell the driver what to do the natural thing is for that person to want to take the wheel. There are, however, a few things which I think should be drawn to the attention of the government, which we hoped would be adjusted without delay. First I would refer to the unfair taxes which have been placed on the poor classes. Some sessions ago taxes were placed on children's clothing, on overalls, on workingmen's shoes and on other similar articles. Taxes should never fall on any man who is near the border line of relief. Why tax him into relief and then support him, thus destroying much of the morale of our people? Why not keep the taxes low on the few simple things he has to buy so that he may get them as cheaply as possible; then give him a little profit on what he has to sell and he will be a help to our country rather than a burden. If we overload these people they become liabilities rather than assets.

The government did one thing, however; they raised the prices of the things the poorer people had to buy, and they gave them cheaper liquor. Perhaps they thought that would be compensation.

I would mention briefly the trade and commerce of the country. The other day the Minister of Trade and Commerce (Mr. Hanson) made a comparison, by which he sought to prove that trade was improving. At the time, however, I thought there was one great error in his computations; that was that while he measured the trade of the country in dollars he did not state that the dollar of to-day is not equal to the dollar of three or four years ago. Our dollar of to-day is worth only sixty cents as compared with the dollar of a few years ago, so the figures given by the minister should have been reduced by forty per cent. If that had been done we would have seen that practically speaking this country is in a worse condition financially than it ever has been.

This government have destroyed the old highways of trade and commerce that were opened by the leader of the opposition (Mr. Mackenzie King) and the hon. member for North Bruce (Mr. Malcolm). They dismissed trade commissioners. The government maintained that they could find new avenues of trade; then they proceeded to offend many of our best friends; they slapped New Zealand on the face and changed the method of friendly negotiation to one of blasting. That was too overbearing, however, and we lost much of our trade. During the last five years our trade has been only half what it was under the last five years of Liberal administration. Hon. gentlemen opposite say other countries raised their tariffs against Canada under Liberal administration, and that is true; still the Liberal party did not raise our tariffs, and as a consequence the trade of Canada was maintained very well.

The Liberal policy seems entirely different from the Conservative policy. In Canada we have three live stock markets, namely those in Montreal, Toronto and Winnipeg. If the trading conditions in those markets reach a point where over a week end they have a surplus in all three, the results are catastrophic, so far as the farmer is concerned, because the prices drop. The late Liberal government watched the market very closely. In those days one or even two markets might block up at one time, but they were very careful to see that the three markets never blocked at one time. At the present time we have an unfortunate spectacle in our live stock markets. Thousands of cattle are held over from one week to the other, and the farmers of Ontario have to sell their pigs at $2.75 per hundred weight and their cattle at $3 per hundred weight. I am describing the condition in Ontario, with which I am more familiar; although I cannot speak for the west I have no doubt the conditions out there are even worse. Instead of the present government stating they will open up our markets and attend to the unloading to a point where farmers may bring their cattle for sale, they say they will protect the markets by a process of curtailment. In other words, they will limit the number of cattle or the number of pigs a farmer may bring to market.

Hon. members on this side of the house object strongly to a policy of curtailment. We want the markets kept open. Let our people work as much as they wish. Let them use their brains for their guidance; let us advise and direct, but do not let us coerce them. Our avenues of trade must not be beset with exploiters. Consumers and producers cannot meet the operations of these extortionists, with the result that at one end we have a surplus and at the other a scarcity. This condition arises because of the great spread existing between the functions of producing and consuming.

I say the farmers are to be pitied. They work harder and longer hours than most other workmen. They spend less, but at the same time they have greater ambitions for their children than obtains in some other classes of society. Farmers have been in distressed circumstances. About 3,500 of them came to Ottawa and asked an opportunity to speak to

the government, but upon that occasion they received only a very cold reception. They had heard the promises made by the Prime Minister over the radio and in the newspapers, and had heard his speeches before the election. They brought with them the Prime Minister's promises, but the action taken by the government was far from what it should have been. Even to-day our Prime Minister states that it is the right of every man to be heard. Yet when 3,500 farmers spent thousands of dollars to come to Ottawa he showed no willingness to hear them.

We remember that he said the tariff would fight for the farmers—but on the other hand we find him taking the tax off oil pipe and placing an additional tax of ten per cent on farmers' fences. Nearly every tariff change made by the present government has imposed an extra load on our farmers, and I believe the farmers have stood about all they can stand. People in the rural communities should consider tariff legislation from several angles, namely: What are the benefits? Who receives them? What are the sacrifices? Who pays them? The farmer must learn the answers to these four questions.

At the present time many of our poor people are in distress, and have developed a sense of fear. Those people ask simply justice. I am wondering if it is just to have workmen performing their daily task at starvation wages for large companies which, due to tariff protection, are charging high prices. Let us give justice to the poor; that is all they need. All schemes of charity and philanthropy are abhorrent in the absence of justice. A government should be just before it attempts to be generous. High tariffs have raised prices to the consumers and lowered wages to the employees.

To-day people are deprived of many facilities they used to enjoy. They are forced to live without the advantages of telephones, motor cars and radios, and in addition they are deprived of many of the necessities of life. The government has advertised the fact that it will open up new waterways. I can see no reason for such action when they are throwing tariff sand bags in the old channels. They talk about building highways, but I believe our railways would be able to look after the traffic. By means of tariffs on the one hand and sales taxes on the other the government are blocking the railways. Further, their gambling on the wheat market has been detrimental to the railways, operations. Upon many occasions I have heard of subsidies being given to help the movement of certain commodities. Suggestions have been made for subsidies on Alberta coal, and so on. However I have never heard of a subsidy being given on a product which remained stationary. Such a subsidy would not be an advantage to trade and commerce.

The Minister of Railways and Canals has laughed at the book Industry and Humanity written by my right hon. leader, and has made references to what would or would not go down in history. Well, in my view the minister will go down in history as the man to a great extent responsible for the number of men dismissed from railway operations in the last three years. About 60,000 men have lost their positions, and when we consider their wives and children we find about 240,000 are affected. In Toronto these unfortunate people are described as having been decapitated. Perhaps in the minister we have the greatest decapitator of the industrial world. When we speak about certain events going down in history we must remember that in one day to advance the cause of Christianity King Richard cut the heads off 5,000 Saracen prisoners. So we find advances in humanity and in Christianity made at different times. I am not stating that the policies of the present government are responsible for all dismissals but I will state that they are responsible for many of them.

Mr. E. W. Beatty, K.C., president of the Canadian Pacific Railway and the present Prime Minister's right-hand man in the last election campaign stated that our tariff policy should be one which would keep internal and external trade at a maximum. We will recall that the Prime Minister was determined to remain on the gold standard. Great Britain went off the gold standard soon after the imperial agreements were formed. In this connection our government crucified the farmers, because when those farmers sold beef, wheat or pork to the old land for $100 they found their sale price equalled only $70 in Canada. This condition remained true in regard to everything we had to sell, and when we recall that because of the agreements our sales were to a great extent confined to Great Britain we will realize the seriousness of the situation. I believe I have not spoken too strongly when I stated that the government crucified beyond endurance the interests of the farmers. This government kept us to that rate of exchange for the benefit of the wealthy until the people almost went bankrupt. They kept our dollar on a parity with the United States dollar, but the poorer classes suffered. Even to-day, when we are competing in the old land with Australia and the Argentine, the Australian currency is something like twenty per cent below ours, yet our farmers have to compete in the old country market against

Australia. We should do one of two things, put our dollar on a parity either with the Australian currency or with the Argentine currency so that we could have fair competition with them.

In the last election the great cry was that this government if elected was going to end unemployment. But at present the number on relief is 1,207,345, and the latest report on unemployment is that there are between 700,000 and 800,000 unemployed. This government called a special session to end unemployment. The cry during the election was that if elected they would look after the poor, but once they were elected their support went to the rich. They raised the tariff and kept up the prices of the necessities of the poor. This government increased the tariffs four times, and each time 100,000 more people went into the ranks of the unemployed. The poor who could maintain themselves had to pay dearly for these tariff measures, and those who could not endure fell upon relief.

After five sessions, with things constantly getting worse, when we ask this government what is its policy with regard to unemployment and relief the answer of the Minister of Labour (Mr. Gordon) is in effect that they had no policy, that they were thinking it over. After five years in power, can you imagine such a declaration of incompetence —that the government really had no policy?

The country as a whole is showing some signs of discontent under the policies of this government. Since the last imperial conference we have had eight Liberal members elected with large majorities. In the by-election in South Huron a Liberal was returned by a majority of 1,989; in the Yamaska by-election the Liberal majority was 84; in the Mackenzie by-election, where there was a Cooperative Commonwealth Federation candidate, the Liberal majority was 1,614; in the Restigouche-Madawaska by-election a Conservative majority in the general election of 548 was converted into a Liberal majority of 6,472; in South Oxford the Liberal was elected by a majority of 1,493; in West Elgin the Liberal majority was 2,893; in Frontenac-Addington, which at the general election returned a Conservative with a majority of 3,371, a Liberal was returned with a majority of 2,651; in Kenora the Liberal candidate was returned with a majority of 6,165, and in North York a Conservative majority of 298 at the general election was converted into a Liberal majority of 3,687. In East Toronto the Conservative candidate was elected by a minority vote, but he had not declared himself a true Conservative, and was a sort of discard from the Conservative party.

The people are afraid of this government; notwithstanding all the taxation to which we are subjected we are going into debt, and our debt has increased by $800,000,000 under this government. That national debt, added to the provincial and general debt, not including mortgages, means a debt on top of every home in Canada of $3,357. Then ask yourselves, do you want a high or a low rate of interest? Do you want the moneyed interests running this country any longer, or do we need a change of government? The members on the other side of the house the other day were calling us on this side Conservatives. We do not like the name. There was a time in this country when in the rural districts, and in the towns and villages, a Conservative could feel some pride in himself, but that time has largely passed. We do not think that the Conservative party will ever improve very much until they clean out the moneyed interests that are running their party at the present time, and we do not believe that this country can be relieved of the depression until practically all of these friends of the government are removed.

With Mr. Bennett we have had nothing but conferences and no action, and the only thing we got out of the conferences was a chance to pay the expenses. He went to the old country and came back to Canada and travelled from coast to coast, and we thought he was engaged upon a study of the industries of Canada, and the unemployment situation, and how to relieve the distress. The papers of this country proclaimed the great things that he would do, but to our surprise we found when he made an announcement that he was searching for a few lords and ladies on whom to bestow titles. That just goes to show how far removed he is from the actual condition of affairs, how entirely he is out of sympathy with our people.

I must again apologize for criticizing a dying government, but the government has asked us to place our objections on record, and I think we are justified in doing so. The Prime Minister is very eloquent, and certainly he is a great speaker, but the greatest eloquence after all is that which gets things done.

Well might the Prime Minister laugh when he saw the title of the book, Industry and Humanity. I have no doubt that he thought the two things were absolutely incompatible and that the association of those two ideas was absurd. That book was written many years ago, and I am going forward to my

election proclaiming every idea in that book, but I can assure the Prime Minister that he will have to change many of the ideas he has proclaimed in the last five years before he will be ready to meet the people in our towns and villages; and he is already renouncing many of them. But we on this side feel perfectly safe in proclaiming the fundamental ideas expounded in that book. We preached them in the last election and we shall do so in the next.

The people of this country are beginning to learn the lesson, and it has been a very serious one for them, that when a country starts a tariff war, the first casualty in that war is home industry.

In conclusion, may I say that the great thing that any government has to consider is what it can do for the youth of the country and the coming generation, because the only undebatable everlasting life that any of us have is what we have in future generations. The young people of this country have a right to a fair deal, and we have no right to pass on to them our debts any more than an individual has a right to pass on to his children the debts that he has incurred himself. Every man should be responsible for the debts he incurs and every generation should be responsible for the debt it incurs. If I have nothing to leave to my children, I hope to heaven I shall not leave them with a lot of debts to pay on my behalf after I am dead. That is not fair to the future generation. But what is this government doing? We are handing down to future generations the debt that we have incurred in the last five years, a debt of some $800,000,000, without assets to balance it. I feel that it is extremely unjust, and the people of this country too are beginning to feel that this continuous increase in debt and this continuous oppression of the poorer classes must cease. Because of its incompetency, I feel sure that the people will decide against this government.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

Mr. THOMAS REID (New Westminster): I desire to make a few remarks regarding the motion now before the house and to protest against the long adjournment which is being proposed by the administration. It may well be that the Liberal party is somewhat to blame for the fact that we are going to have a long adjournment. When I make that statement, I refer to the fact that we have not opposed any legislation which has been brought down this session; if we had opposed the social and other legislation, we might be now in the midst of an election.

This afternoon the Minister of Justice (Mr. Guthrie) in his speech said that the budget brought down this year was not criticized and he suggested that it could not be. Well, if the attitude of the Liberal opposition towards the budget was apathetic, so was that of the Conservative members themselves, because although a young member of this house I am of opinion that the budget brought down not long ago evoked less applause from members on the government side than has any other budget introduced since 1930. I noticed that in their budget speeches quite a number of hon. members opposite, in referring to the chief Liberal critic, the hon. member for Shelburne-Yarmouth (Mr. Ralston), linked his name up with St. James street. I am surprised that that attitude is being adopted toward him, and I would just remind the house that the present leader of the government (Mr. Bennett), who is now unfortunately ill, was long connected with men like Holt and with the Canadian Pacific Railway, yet nothing is said against the right hon. gentleman or his long connection with those men. But my view is that the criticism levelled against the financial critic of the Liberal party is being levelled at him for a specific purpose. Might I say in regard to the Prime Minister's illness—and I say this in all kindness—the attitude of the Liberal party toward his illness has been far more sympathetic than that exhibited by Conservative members especially last fall toward the present leader of the opposition (Mr. Mackenzie King), because many hon. members opposite one spoke to were saying "Pity poor Billy King; he's through." Even cabinet ministers were heard to say: "Oh, it's a pity about poor Billy King; he is 'done for'" I am quite correct in saying that the attitude adopted by us on this side toward the illness of the Prime Minister has been eminently fair and far more so than that adopted last fall by the Conservatives, when some campaign seemed to be under way to make out that the present leader of the opposition was ill if he was not actually so. I am sure every hon. member sincerely hopes that the present leader of the government will recover, but perhaps we on this side, besides hoping for his own personal sake that he will recover, would like to see him in the position of leader of his party during the forthcoming election. We certainly would like to see him in that position,

because it is our firm belief that the people of this country are just waiting for an opportunity to show the present leader of the government their displeasure in respect to what has taken place during the last five years under his regime. Perhaps this is simply my own opinion, but I believe no other man in Canada has done more to shake the confidence of the general public in our democratic institutions and in the leaders of political parties than has the present Prime Minister on account of the definite promises made by him from one end of Canada to the other in 1930 and taken literally by every Canadian citizen, which promises have remained unfulfilled. Those unfulfilled promises made so very definitely in 1930 have in my opinion done a great deal to arouse suspicion of all political parties and especially of many of our political leaders.

What has surprised me this year more particularly than anything else has been the attitude of Conservative members toward unemployment. Although not a member in 1930, in the session when the Liberal party was in office, I can well remember the denunciations by Conservative members of the then government, who were adopting the position, it is true, that unemployment at that time was not a dominion responsibility; that it was primarily a provincial and a municipal one. If members on the government side were placed on the stand to-day and asked whether it was a fact that their leader and they themselves in going through the country in 1930 stated that their attitude was entirely different from that of the Liberal party, they would have to admit that many of them, if not all, so stated either in the house or on the hustings. If I had time I could quote Hansard against hon. members who are now in the government and who in 1930 stated that unemployment was a dominion and not a municipal responsibility. Yet after five years, when the distress is very much greater, we find hon. members opposite stating in the house: Oh, it is a municipal responsibility first, a provincial one next and a dominion one last. The dominion government, they claim, is doing all that is necessary or all it should do in regard to assistance to municipalities. I just draw that to the attention of hon. members and especially those who are prone to repeat what was said by the then government in 1930 and which in my opinion assisted in the defeat of the Liberal administration. I say that advisedly because I was reeve of a municipality at that time when we had unemployment and municipalities were besieging the then government for help.

[Mr. Reid.]

Speaking about the business before the house and the reasons given for the proposed adjournment, may I point out that we have on the order paper a resolution in regard to the Ottawa trade agreements. I want to devote a little time to this question, because I well remember when they were introduced in the house in 1932 and before the vote was taken, the Prime Minister pointed his finger at each member on this side and said: "Will you dare to go back and tell your electors you voted against the Ottawa agreements?" Again this year he said: "We will give you a chance to vote against those trade agreements before the session is over." Where is the resolution? It is still on the order paper. I for one welcomed the opportunity at that time to discuss the Ottawa trade agreements and I intend to say something more about them. Nothing would please me more than that the government should trot this out now and let us go into the various aspects of the trade situation, because I am going to place before the house some figures to show that the Ottawa trade agreements have about ruined trade in Great Britain for Canadian agricultural products. Let us see what happened. As I did before when I put some figures on record I invite hon. members to rise afterwards and confute them if they can.

When the empire trade agreements were first introduced I remember the leader of the opposition warning this parliament and the country what the effect would be. He said they would result in closing the gates to the English markets for agricultural products from Canada. I have before me figures showing the trade of Great Britain to the end of December, 1934, issued to the members of the House of Commons in Great Britain. What do we find? We find that while the import trade of Great Britain has gone up since 1932 in regard to unmanufactured articles, her imports of food, canned salmon, cattle, eggs, butter, cheese, and such articles have fallen off considerably. As Lord De La Warr said, speaking in the House of Lords on behalf of the Minister of Agriculture of Great Britain, this policy of Great Britain started following the Ottawa conference. In 1932 imports of food products into Great Britain, including tobacco, were £372,880,000. In 1934 they had dropped to £347,335,664, but her total import trade in unmanufactured goods and raw materials had gone up. Both her import and her export trade hade gone up. But the point I am making is that she is now buying less food products such as cattle, pork products, butter, cheese and milk products and eggs. That cannot be disputed. That she herself is going in for dairying and cattle

raising is evidenced by the fact that her imports of feed for cattle have increased since 1932.

The other evening somebody mentioned lumber and asked where we in British Columbia would have been but for the British market. Let us be clear in this matter. I think all parties are agreed that it is a desirable thing to trade not only with Great Britain but with every country. But the government have been endeavouring to put over the argument that Great Britain is our greatest market. In the time at my disposal I shall endeavour to put on record some figures to show that it is impossible for Great Britain to take all the forest products which we have been exporting. I come first to lumber, about which much has been said. In 1934 Great Britain took considerable lumber from this country. By lumber I mean planks and boards, because Great Britain does not take logs or timber squares, nor does she take hemlock, cedar or spruce; her principal import of lumber has been Douglas fir, and that principally in boards and planks. She took $10,302,495 worth in that year. The total output of Canadian wood for that year, 1934, lumber, ties and poles, was $38,193,347. In 1930, however, we exported $89,717,326 worth, of which the United States took $70,947,960. Of planks and lumber alone the United States took in 1930 more than the whole output from this country last year, $38,399,785 worth, while the total output for 1934 was only $38,193,347.

Of paper products our export trade in 1930 amounted to $151,509,623, of which the United States took over $128,000,000. By 1934 this had dropped to just over $77,000,000, of which the United States took $61,871,269. Will any hon. member say that it is possible for Great Britain to take all our output of lumber? I do not think they would, especially when one considers the amount we exported in 1930 as against what was exported in 1934; but even of that Great Britain took only a very small percentage.

I might point out that we have been importing many things from Great Britain. The other night the Minister of Railways (Mr. Manion) created a laugh by speaking of the duty being taken off eggs, cut flowers and cast iron pipe in 1930 by the Liberal government but he would have created a greater laugh if he had told what was going to be taken off this year on articles from the old country, that is if we can believe the forecasts in the press the other day. It was said that among the tariff changes duties will be removed entirely on the entry of white mice, rabbit skins, and diabetic bread and biscuits. If he had said that little mouthful when he talked about the duty being taken off eggs, it surely would have been a scream. But the other night he stopped after he had mentioned these three things; he did not tell about the vast quantities of flour and butter that this country has been importing from Great Britain. That would have been interesting to the farmers, when we have more butter in store now than we had this time last year, yet are importing it from a country that imports herself and has been reexporting it to this country.

Then in regard to tobacco, it may interest the house to recall that although this country has not been growing tobacco for many years it is one article of which Great Britain increased her purchases in 1934. Last year her purchases rose to almost £17,000,000. The remarkable thing is that Canada's exports fell in that year. Great Britain took less tobacco from Canada in 1934 than in other years. For 1932 the figure was £767,550, and for 1934 it had dropped to £438,992. Yet Great Britain's importations had increased in that period over fifty per cent, rising from £10,786,487 to almost £17,000,000.

What have we done in regard to certain classes of goods coming into this country? It is true that we have no anthracite coal in Canada, but in looking over the trade returns I notice that Canada is the only dominion that takes coal from Great Britain. While we do require anthracite it is interesting to note that the imports into Canada from Great Britain of all the common grades of coal have increased since 1930, while our own miners are unemployed and the mines in Canada have been unable to sell their product. That is something I should like the government to answer, if they care to do so. Why should we import ordinary household coal from Great Britain when we can produce millions of tons of that coal in this country?

Now for a moment I should like to direct the attention of the house to the attitude that has been taken this year by the group to my left, and to what I consider to be something of a change in their attitude. I may be wrong in my interpretation of their stand, but if so they will have an opportunity of correcting me. I well remember that in 1933, and I think in 1934 also, the hon. member for Wetaskiwin (Mr. Irvine) rose in his place and told the house that capitalism was finished and that there was no use in patching it up. He also said that the two old parties were finished, and that we should have some new system such as they proposed. This

year, however, I noticed on the subamendment he spoke about a just price, a dividend, taking some of the inheritance and distributing it among the people of the country, and so on. If that is not closely following the Douglas system I should like to know what it is. Certainly the Douglas system is not socialism; it is a readjustment of capitalism, of dividends. I should like to see dividends distributed, but it amuses me very much to see the scramble that is taking place now and which seems to be similar to Douglas. If these hon. gentlemen are not Douglasites or followers of Aberhart certainly they are very close to it. In my opinion some of them are endeavouring to scramble on to the band wagon before the election takes place, and I think the change in their attitude will take some explaining. Certainly it is very different from the theory advanced that we should work for use instead of for profit. They may be able to answer this statement; it may be that my interpretation is not exactly correct, but at least that is the view I take of their actions this year. Then I noticed that when the six hour day was under discussion the old trouble between labour and the farmer cropped up again. There were not enough supporters of labour to have a vote called, and the farmer members of that group remained in their seats.

But when the hon. member introduced that resolution in connection with the six hour day I wondered if he had given it very much thought, or if he had tried to consider it in the practical light. I am afraid he did not do so; I am afraid it was just one of those gestures that are sometimes made. The other evening I took a few moments to work out what would happen if this country adopted the six hour day, and it may surprice many hon. members, as I am sure it will surprise the hon. gentleman who introduced the motion, to learn that we would have a great boom so far as labour is concerned if it were possible to put the six hour day into operation. I worked it out in this way: We will say the average man works two hundred days per year, eight hours per day, and we will say we have three million persons employed. The averaged hours worked per person per year would be 1,600, which would mean a total of 4,800,000,000 hours yearly. If these persons were employed only six hours daily it would mean that each person would work an average of 1,200 hours per year, which would mean a total reduction of 1,200,000,000 hours. So in order to make up the difference it would take exactly one million employees more than are employed at the present time. I think we should devote our attention to the enforcement of the eight hour day throughout Canada before making even a gesture toward dropping the hours to six. So far as I am concerned I will lend my support in any endeavour to have the eight hour day enforced throughout Canada, and then it will be time enough to try out the six hour day.

An hon. MEMBER: It may be weary waiting.

Mr. REID: Yes, that may be so, but I hope not. I thought I would work that out in its practical application. If we had to employ an additional million men I am afraid we would have to open the immigration doors and bring in many more people, because I do not believe we have a million people idle in Canada at the moment

Now, Mr. Speaker, this house is going to adjourn while cities and municipalities go bankrupt and the whole credit of Canada is in jeopardy. The dominion government may take the attitude that they can sit back and see municipality after municipality and city after city go bankrupt, but I maintain that it will not be long until there will be very little credit abroad for this country. I am of the opinion that the situation is so serious that we should have been attempting to devise ways and means to meet it. The loan council proposed by the government may come too late. Great Britain has put her house in order and told the United States they would have to wait a while before any further payments were made, but we hear members of the government and others say that we must pay our interest charges no matter what it costs this country. Would any hon. member rise in his place and say that the credit of Great Britain has been injured because she told the United States they would have to wait for their money? I do not think so. So far as I am concerned, just in connection with this question of debt cutting, I cannot see very much difference in principle between forcing the bondholders to compromise and the provisions of the Farmers' Creditors Arrangement Act under which farmers are to be allowed to tell their bondholders that they may have to accept half the amount due. In my opinion there is no difference in principle between our saying to the man who holds a mortgage on a farm, "You will have to take fifty per cent less" and saying to the bondholders of this or any other country, "You will have to take a lower rate of interest." If that is not done I am afraid they will be faced with something even more serious.

Let me point out something that happened in a municipality in my own constituency, the municipality of Burnaby, a word which I can say perhaps better than most members. I well remember that in 1931 some hon. members laughed when I uttered that word. I warned the house then that the municipality was going bankrupt, and that has actually happened; it is in liquidation to-day. Last year they told the bondholders they were not going to pay the stipulated interest; they also sent out notices to the bondholders, some of whom were located in almost every country of the world, and placed the situation fairly before them. In the letters sent out they said, "We are willing to pay one per cent for four years and after that we will pay three per cent. Will you take that or shall we repudiate?" It may surprise this house to learn of the number of letters that came back saying, yes—and I am proud to say the first letter came from bondholders in my own country of Scotland—saying that the one per cent would be accepted so long as the principal was intact. I believe if some strong leadership were given this country the bondholders could be called together and I think they would be found willing to accept a lower rate of interest so long as they knew their principal would be kept intact. This government has been standing by allowing city after city to go bankrupt. That municipality has gone to the wall; they cannot pay and they are not going to pay. I believe, however, that if we had been given strong leadership; if the provinces had been called together and this loan council formed in 1930, instead of waiting for five years to put our house in order, instead of going deeper into the hole and passing acts permitting farmers to go deeper into debt, we would have been in a far better position to-day and would have been much further on the upgrade than we find ourselves at the present time; at least confidence would have been restored.

If there is any one thing I hold against the government more than another it is the fact that this is a government of high salaries, in these days of distress. What have we witnessed in the last few months? High salaries have been further increased; we have the head of the Bank of Canada receiving $30,000 a year and his deputy $20,000 a year, or a total of $50,000; and many others as well. Is it right to give such high salaries, or to raise them to such heights when thousands of our citizens do not know where their next meals may come from, unless they come from the state? I say if we placed our house in order, started after the high salaries cut our interest charges and kept from further wild borrowings, the confidence within the country would be greater, and without confidence we can get nowhere.

It is all right to say we are not interested. After five years I hear hon. members saying, "Why does the opposition say it is our responsibility?" Their attitude now is that first it is a municipal problem, then a provincial problem and lastly the problem of the federal government. In 1930 an election was fought, and I repeat this is one of the reasons which helped to defeat the Liberal administration in that year. This government will have quite a task to explain its stand during the coming election campaign. We adjourn, Mr. Speaker, not for the benefit of the country; we adjourn, in the words of the Minister of Justice, so that they may pick the best time to go to the people. He gave it away when he said that. We knew it before, but to-day we have it spoken. The adjournment is not then for the benefit of the country, at all, but so that "They will pick a proper time." As I said a few moments ago, if we had opposed the so-called social legislation we would now be in the midst of an election campaign, and would not be asked to agree to a long adjournment or not to come back until the government has had time to think up something new before making a final appeal to the electorate.

I should like to make a suggestion in connection with salaries along the lines of one which has been made in Great Britain. We have heard many suggestions regarding Senate reform. Many people in this house and elsewhere have given willingly of their services on school boards and other public bodies, without looking for or receiving any remuneration therefor. In my opinion one way to reform the Senate would be to have its members give their services without indemnity. I make the suggestion in all seriousness, although I notice it has caused some laughter in the chamber. I say in all seriousness that there are not three per cent of the men in the Senate chamber who are not coupon clippers and rich enough, and do not require it.

Mr. WILLIS: Oh, oh.

Mr. REID: Yes, and the men who get up to oppose the cutting of bonds should be asked either in this house or out of it how many bonds they hold. I see the Speaker rising to object. I make this statement because I speak feelingly on the matter. I do hear some hon. members say, "We could

never cut bonds." Why? Because in many instances that action might affect themselves. I say these things can and should be done—and would be done if someone had guts enough to go out and do them.

Some hon. MEMBERS: Order.

Mr. DEPUTY SPEAKER: I believe that language is hardly parliamentary.

Mr. REID: Well, there is the expression "intestinal fortitude," which might be more parliamentary. I shall use that word instead.

Mr. WILLIS: What about "sityation"?

Mr. REID: There will be lots of bad "sityations" before we get through. I know what the hon. member has referred to. You just try to say "Bur-r-r-naby."

I protest very seriously against the proposed long adjournment, because there are many things we could and should be doing. Even without the leader of the government being present we have progressed very well. Due to the seriousness of the unemployment situation the mayors of the different cities held a meeting in this city only a short time ago. May I point out to hon. members who have not served on municipal councils that in my view the reeves, mayors and councils are in the front line of this depression because they are meeting the people every minute of the day and so are in the very best position to understand conditions. Members of the government are in a different position, because they are further removed and people wishing to see them have to pass secretaries before an interview is possible. I for one am very sorry they were not allowed to address hon. members in this chamber. May I close my observations by repeating that I strenuously protest against and oppose any adjournment for four, five or six weeks.

Mr. W. P. MULOCK (North York): Mr. Speaker, as a newly elected member of this house I welcome the opportunity briefly to discuss the question of the proposed adjournment until May 20. For nearly three months parliament has been in session, and during that period we have dealt with unemployment insurance, the eight hour day and the weekly day of rest. I believe the government would be prepared to admit that upon the introduction of those measures they received the co-operation of hon. members on this side of the house. Certainly no undue delay was caused by the opposition when these matters were placed before parliament. Still left for consideration are Nos. 26 and 27 on the order paper, namely a measure to establish a grain board and another to provide for minimum wages. Undoubtedly we would be well occupied if we were to proceed with the consideration of these measures, the introduction of either or both of which could be left to the acting leader of the government (Sir George Perley).

To-day we are faced with a condition whereby out of a population of about 10,500,000 we have about 1,207,000 on relief. After five sessions of parliament since the elections of 1930—this is the sixth—no constructive measures have been introduced which would have the effect either of improving the conditions or of providing work for the unemployed. Unfortunately the relief problem does not appear to be lessening. We have the evidence of the mayors from the Canadian cities who came to the city of Ottawa to state their difficulties, and who say that they are unable longer to carry the burden of relief, that they have not the money necessary for that purpose. Those municipal officials have asked for guidance and leadership from the federal authorities.

Throughout the country in the face of very trying conditions we find our farmers striving to retain their farms. Hon. members who have travelled through that section of Ontario which I have the honour to represent will know that within the last few years many farm buildings have had to go without needed improvements. Many houses, barns and fences are not being kept in a proper state of repair, despite the desire of the farmer to prevent deterioration. Certainly there is no desire on the part of farmers to let their buildings go to ruin, but the fact is many have been unable to obtain enough money from the sale of their produce to purchase the necessary materials and to prevent this condition from arising. On the other hand when the farmer goes out to buy he finds that due to tariffs, the prices of the necessities of life and implements of production have been artificially kept at an unreasonable height. It may be true that the prices of many articles have decreased, but certainly not to the same extent that farm produce has come down. The unreasonable tariffs imposed by the present government have had the effect of depriving the farmer of a great part of his purchasing power. From year to year the standard of living formerly enjoyed by the people in the rural communities has been forced down. Until the farmer receives his fair share of purchasing power, there can be no real or lasting prosperity in Canada.

Some considerable time has been taken in this house in a discussion of the Ottawa agreements which we made over two years ago, and

since that time have been put into effect. Day after day the matter was discussed—something that happened two years ago, not something that was to be done now to help the farmers or the unemployed. Regardless of what the decision of this house on that subject might be, it was not going to help the people of Canada one iota, not to mention the expense that the prolonged debate entailed.

May I remind this house that we are going into debt in this country at a tremendous pace. According to the hon. member for Shelburne-Yarmouth (Mr. Ralston) the debt of this country since this government took office has been increased by $812,000,000. The situation is one that calls for immediate action. We cannot go on borrowing principal to pay interest. The facts must be faced, and the sooner we face them the sooner shall we get out of our difficulties; but if we do not face them we shall sink further and further into debt with each day.

This government has been in office now for nearly five years, and with all due respect to my hon. friends opposite I would say that to many it seems more like ten years. This is their sixth session. I understand that the report of the price spreads commission is to be signed to-morrow, and I understood the minister to say this afternoon that it would take from two to three weeks to prepare the legislation based on that report. But if the report is signed to-morrow it will be immediately available to the government, and if an adjournment were obtained until the twenty-ninth of April, that would give the government three weeks all but one day in which to prepare that legislation. So it does not help the government's position very much for the minister to say that this long adjournment is necessary to prepare that legislation.

There is another point of view, and that is that having regard to the financial position of this country at the present time the long adjournment which the government suggests is going to cost the taxpayers of Canada a very large sum of money. The Minister of Finance will no doubt be able to give to the house particulars of that expense when the accounts have been paid, if the government proceeds with this long adjournment.

I do not wish to deal with the budget at any length because it has already been dealt with so ably by the financial critic of the opposition, the hon. member for Shelburne-Yarmouth (Mr. Ralston) but there is one thing I should like to point out in view of the reference of the Minister of Justice this afternoon to this budget being a popular budget. May I say that in my opinion the sugar tax is one of the most unpopular taxes that was ever placed on the statute books of Canada. It is an absolutely unjust tax because it bears hardest on those least able to pay. The larger a man's family the more he has to pay in that form of taxation. It is not a fair principle of taxation, and I submit that sugar tax should be removed just as soon as possible even if its removal necessitates more taxation being placed on those who are better able to bear it.

The Minister of Justice also said that the government would go to the country when it thought it could win the election. The first inference was that if they went to the country now they knew they would be defeated, and they were hoping that something would turn up in the meantime. But I hope that the constitution of this country will not be wrecked to such an extent that this government will refrain from going to the country until they believe they can win, because if they carry out that threat I believe a good many members of this house are here for life.

The Minister of Justice also stated this afternoon that the conditions in 1926 in regard to an adjournment could not reasonably be compared with the present conditions because in 1926 the Liberals had been slaughtered at the polls. May I remind my hon. friends opposite that there was a miniature general election in this country last September, during which a by-election was held in the riding of North York. This constituency I now have the honour to represent in this house by virtue of having the support not only of the Liberals of North York but of the people of the riding as a whole, who have come to the conclusion that this government has failed in its duty and has not carried out in any substantial particular the promises it made in 1930; and the people of that riding at least want a general election at the earliest possible moment.

Mr. COTNAM: They do not need it. They have got you.

Mr. MULOCK: You should know. A number of the members of the government came into the riding of North York and spoke in that by-election: the Minister of Railways (Mr. Manion), and the ex-Minister of Trade and Commerce (Mr. Stevens), who delivered several speeches; the hon. member for Dufferin-Simcoe (Mr. Rowe), the hon. member for North Huron (Mr. Spotton), and the Minister of National Revenue (Mr. Matthews) were amongst the most prominent. I should like to refer to one statement which the Minister of National Revenue made during that

by-election in North York as reported in the Mail and Empire of September 17 last. He spoke in part as follows:

> Non-partisan statistics showed that Canada led the United States in recovery because Bennett had sought markets in empire countries after world markets had been closed to Canadians during the King regime. He urged the electors to not believe in the "trash" which they read in the newspapers and heard from Liberal platforms—

And this is the part I want hon. gentlemen to listen to:

> —and to not slap the Bennett government in the face after a successful administration.

The people of North York, perhaps as a result of that appeal to some extent, decided in no uncertain terms by giving a member of the present opposition a majority three and a half times the record majority for that riding, and defeating the government in 110 polls out of 117. If that is not a slaughter, I do not know to what the Minister of Justice was referring this afternoon.

The people consider that this government has failed. They have lost confidence in the government. They want a general election at the earliest possible moment, and I submit, Mr. Speaker, that this adjournment is asked for the purpose of delaying an appeal to the people. For these reasons I shall protest against the long adjournment being granted at this time, when there are so many urgent problems facing this parliament.

Mr. C. A. CAMPBELL (Frontenac-Addington): Mr. Speaker, I rise at this time to join with other members, particularly my roommate, the hon. member for North York (Mr. Mulock) who has just taken his seat, in protesting against this proposed long adjournment. Like my colleague I also entered this house in the miniature general election last fall. I am sorry there are not more western members and eastern members on the other side at the moment to hear what happened in my riding on that occasion. I want to remind them that that riding had never returned a Liberal until September 24 last since 1791. It was not so much a vote for me personally or a vote for the Liberal party, because in June of last year, when there was a Liberal landslide in the province, I was defeated by the very same electors who elected me on September 24. But the fact is that the people voted against the Bennett policies, and especially against the most autocratic government we have had in Canada for a long time. The people of the riding of Frontenac-Addington are mostly United Empire Loyalist stock, as the hon. member for Rosetown (Mr. Loucks) well knows. He however left there before the people saw the light politically.

I would remind the house that one of the planks in our platform during the contest last fall was the fact that responsible government in Canada was endangered as long as the present government held office. The people of Frontenac-Addington considered this plank very seriously and I am glad to say the result is that I now represent that riding behind the leader of a party which supports the principles we feel will soon restore responsible government to Canada.

I should like to say something further about my riding but I do not want to trespass too long upon the good graces of the house. I would remind the house that the government of the day thought nothing about reforms until after the miniature general election of last fall. This is not the first time the people in this section of the country have started a move for reform. Back in the days of 1827 a very small portion of my riding and a portion of the riding now represented by the hon. member for Prince Edward-Lennox (Mr. Weese) elected a reformer in the person of Marshall Bidwell to the Upper Canada legislature. Certain Tories then held power in Ontario and this gentleman was not allowed to take his seat. Elections were held on different occasions for the next few months and eventually his son was elected along with a man by the name of Peter Perry. The leadership and fighting qualities of these men, coupled with those of the grandfather of the right hon. leader of the opposition (Mr. Mackenzie King) brought about responsible government in Ontario which we have preserved to the present time.

During the by-election in Frontenac-Addington the policies of the government were placed fairly before the people. I remember that these policies were enunciated by the Minister of Public Works (Mr. Stewart), the Minister of Railways and Canals (Mr. Manion), the Minister of Agriculture (Mr. Weir) and the Minister of National Health (Mr. Sutherland). The former Minister of Trade and Commerce (Mr. Stevens) appeared in the riding on two occasions, and then we had the hon. member for North Renfrew (Mr. Cotnam), the hon. member for Toronto Northwest (Mr. MacNicol), the hon. member for South Renfrew (Mr. Maloney), the hon. member for Kingston City (Mr. Ross), the hon. member for Dufferin-Simcoe (Mr. Rowe), the hon. member for Stormont (Mr. Shaver), the hon. member for Lanark (Mr. Thompson), the hon. member for South Hastings (Mr. Tummon), the hon. member for Prince Edward-Lennox and the

hon. member for Grenville-Dundas (Mr. Casselman). These were the forces arrayed against the forces of Liberalism, but the people of Frontenac-Addington said that this government must change.

We have been hearing a lot about the former Minister of Trade and Commerce as a spellbinder. I do not want to take up much time but I would remind hon. members that the hon. gentleman was brought back to try to save the riding for the government. At that time he was a minister, and as he has done on many other occasions, he did not stick to the ethics of parliament. He spoke of those things which he thought ought to be done when he knew evidence was still being called before the price spreads commission and about which we in this parliament will not be told officially until after we have reassembled on May 20. During the last provincial election I lost by thirty-five votes the polling division of Harrowsmith, in which the minister spoke and the former minister was brought back to try to save the situation. I had no occasion to visit this division but I lost it by only six votes in the by-election. I should like to quote some of the arguments put forward by members of the government. During the joint nomination debate on the official nomination day at Sydenham, the Minister of Railways and Canals had this to say:

> The by-elections have a double purpose in all of these constituencies. It is the day for voters to choose their representative, whom they believe would serve them the best. You have the opportunity of culling out some of the people. In other words, you have the opportunity of either preventing the Bennett government from continuing their policy and voting against the government and against what they have been doing.

The hon. member for Toronto Northwest had this to say a few nights afterwards at Newburgh:

> The issue in this campaign is the Bennett tariff policy, and as a business man, interested in business for 25 years, I will try to prove to you that the tariff policy of the Right Hon. R. B. Bennett is infinitely better than the freer trade policy of the old government of Mackenzie King.

A few nights later the hon. member for Dufferin-Simcoe said at Odessa:

> Ask yourself, why has Canada secured better prices for her commodities? Ask yourself if our credit is better than other countries in the world, as against those who have preached inflation and reciprocity. I urge upon you to support the government that is steadily returning the country to normal and prosperity.

I would remind hon. members, especially those who come from the west, that I was criticized during the campaign because I spoke in favour of freer trade arrangements with the United States. Members of the government came down to my constituency to try to keep me from being elected to this house, and, as indicated by the quotations I have just given, the people were led to believe the government of the day was not in favour of reciprocity with the United States. Therefore the people of Frontenac-Addington and of the other three constituencies which sent Liberal members to this house on September 24 take the credit for forcing this government to seek better trade arrangements with the United States.

The first thing I know I will be making a speech, and I did not intend to do that tonight. I should like to refer to some of the statements made this afternoon by the Minister of Justice (Mr. Guthrie). I have often wondered why a general election was not held last fall, because I know it has always been felt in the country that there should be an election every four years, and this is the feeling of hon. gentlemen opposite. I should like to quote from a letter written by the former Conservative organizer, and chief whip, Senator A. D. McRae. This letter is dated April 17, 1930, and the first paragraph reads as follows:

> We are now in the fourth session of the sixteenth parliament. Only twice since Confederation has any government had the temerity to stay five full sessions and in both cases they were decisively defeated on appeal to the country. Mr. Mackenzie King, a very shrewd politician, will not voluntarily repeat this experiment.

And a few sentences further on he said:

> Although unemployment is very serious in Canada our government has taken no action.

And again:

> The Canadian people have every reason to feel "it is time for a change."

Everything there stated still holds good to-day. Until the Minister of Justice told us this afternoon I did not know why the government had not gone to the country. He said that the governments of which he had been a member had gone to the country only when they felt that they could win. Perhaps we should thank God for the constitution which provides that we shall eventually have an election whether or not the government is going to win.

The Minister also referred to what he regarded as the parallel of 1911 with the present day. I want to remind the house that in 1911 the then government had been in power for only three years. The present government have been in power five years. It is true they have not gone the full limit to which they are legally entitled, but, as

pointed out by their organizer in 1930, they have outrun the length of parliament to which by practice they are entitled, namely, four sessions, and now are on the sixth. We on this side of the house and I think everyone in the dominion feel that Canada should certainly be represented by the Prime Minister at the silver jubilee of the king's coronation, but I do not believe we should at this time have a parallel drawn between conditions in Canada in 1911 and those of the present day. As I pointed out, the government of that day had two years to run, and moreover it had no unemployment problem such as exists at present. It had no financial crisis to face in the municipalities or the provinces or the dominion, and to-day we find that we have to face all these conditions, yet by the adjournment now proposed we in this parliament who were elected to represent the Canadian people admit that we cannot carry on because one man has to leave Canada. We wish the Prime Minister to go to Great Britain, but he has ministers here quite capable of carrying on the business of the country while he is away, and as other hon. members have stated, I fail to see why we should agree to anything more than the usual adjournment over what we may call Holy Week or the Holy Sabbath.

I want to add this to what the hon. member for North York (Mr. Mulock) has just stated: we are not at the point where we are waiting for legislation, but we have some already on the order paper and there are still some fifty-three items of supply to be called. According to the order paper, a grain board is to be set up; some amendments have been sent back to us from the Senate in connection with the Farmers' Creditors Arrangement Act, as well as other matters. All these matters have to come before us. Why then are we asked to pass these over, to take an adjournment for a long period at considerable cost to the people of Canada, and above all to refuse to try to solve the worst problem we have confronting us, that of unemployment?

I should like now to remind members of the government what they stood for in 1930. On June 26 of that year the Ottawa Journal printed an editorial which was put into pamphlet form, sent out all over Canada and used by the speakers of the then opposition and its canvassers as the principle on which the opposition of that day, now the government then stood. This pamphlet is very interesting to read five years later, and I should like to read a few parts of it, as follows:

[Mr. Campbell.]

Mr. Bennett At Cobourg

Back in Ontario after his trip to the Pacific coast, Mr. Bennett on Tuesday night at Cobourg spoke with a power and a conviction that must have profoundly impressed countless thousands who heard him. Always a power on the hustings, Mr. Bennett in his first Ontario speech reached an extraordinary high degree of platform eloquence, an eloquence which, reinforced by vital truths, cannot be without effect throughout the country.

The opposition leader was at his best when dealing with the issue of unemployment. Moved by the spectacle of thousands of workless men tramping the streets of western cities, he was desolating in his criticism of the Prime Minister's extraordinary incapacity to grasp the meaning of such things. What, he asked, was the policy of Canada's Prime Minister, when tens of thousands of Canadians were in distress? His policy was that he would call—a conference. Men and women might be craving work, children might be hungry, cities might be setting up soup kitchens; Mr. King's answer to all of this was: "Vote me back to office, and some time next fall I will call a meeting to see what can be done." This from the sometime great crusader for labour, the author of Industry and Humanity!

Why, as Mr. Bennett well asked—why a conference? What is it that a conference would find out? Does it require a conference to discover that men are unemployed? That there is distress? That cities like Winnipeg are spending $3,000 a week to feed workless workers? The proposition is simply a fraud. It is subterfuge to enable Mr. King to dodge his responsibility.

Mr. Bennett's policy—an honest, humane policy—is to meet parliament, to cut through red-tape and legalisms and constitutional hair-splitting, to take prompt and vigorous measures to see to it that in this country people do not starve. That is not merely the policy of a statesman; it is the policy of a human being; the policy of a man who has some sympathy with the masses, who is big enough and honest enough not to let petty politics and pettier legalisms stand in the way when Canadians are in want.

What sense, what humanity, in claiming that unemployment is not a federal responsibility? If the lawyers and the constitutional pundits want to argue about that, let them argue. What is true, and what everybody knows, is that if unemployment is not a dominion legal responsibility, it is a dominion moral responsibility. There can be no argument about that.

And so the people throughout Canada, who knew what unemployment relief was costing each individual taxpayer when he paid his tax bill in the fall or at some other period in the year to the township or village or town or city, believed they were going to be relieved of that direct tax if only they voted for the then opposition, the present government. But at the present time we find it is not a matter merely of Winnipeg paying $3,000 a week, which at that time was, according to the present Prime Minister himself, a staggering figure, but small cities like St. Thomas, with

only about 14,000 people, paying $4,500 a week last year for unemployment relief. Kingston, which boasts the highest record for any city in the dominion for paid up taxes, last year paid over $3,000 a week for unemployment relief, yet it is a city a little less than one-tenth the size of Winnipeg. Moreover we have witnessed this government passing on to the provinces and they in turn being forced to pass on to the municipalities more of the cost of unemployment relief on account of men being compelled to go on relief because of the policies of the present administration.

An hon. MEMBER: No; you do not believe that.

Mr. CAMPBELL: Well, the only branch of industry that could have benefited by the high tariffs about which the hon. member for Northwest Toronto (Mr. MacNicol) spoke in the by-election of September 24, must have been the manufacturing industry. In 1930 in the manufacturing industry alone there were about 644,000 employees who were drawing $736,000,000 in wages and salaries and producing about $3,500,000,000 worth of commodities. But in 1933, the last year for which there are any figures—and these are from the bureau of statistics—there were less than 500,000 employees who were drawing $465,000,000 in wages and salaries and producing just a little over $2,000,000,000 worth of goods. Therefore by the policies of the present government, the manufacturing industry, the only branch of industry which could benefit thereby, lost $1,500,000,000 worth of business and about 150,000 employees were thrown out of work on account of voting as they did in 1930 for what they thought was going to be a benefit to themselves. And now we have been forced to receive from the present government through the Minister of Labour an admission that they have no policy regarding unemployment relief, that their policy is going to depend upon what requests they get from the provinces. And I know they must receive many. Representing a riding which is fairly close to Ottawa I am able to journey there every week-end, and I can assure the house that although the Prime Minister in 1930 said it was going to be his duty to see that no one should starve, there are many men in this country who are wondering where or how they are going to get food or clothing or fuel to keep their children and themselves from starving.

I have spoken longer than I felt I should but I want to remind the house that last fall the people of Frontenac-Addington, as well as of other ridings in Ontario, in a campaign in which one of the main points was that the people of those ridings were given a chance, as the Minister of Railways intimated at Sydenham, to vote against the policies of the Bennett government, intimated to the government that they no longer felt that it had the right to govern, that they did not agree with its policies or the way it was governing. Yet now we have the spectacle of this government trying to carry on even until the last. Representing this old United Empire Loyalist constituency many of the people of which have been Conservatives since they were born, I respectfully say that I feel sorry for these farmers on account of the policies of this government.

Mr. LOUCKS: Were you born in Frontenac?

Mr. CAMPBELL: No, I was not fortunate enough to have that privilege. But the hon. member for Rosetown (Mr. Loucks) had the privilege of being born in the village of Battersea, which is in a fine part of the county of Frontenac, a very good farming section; and that fine village, although it has been Conservative on many occasions, gave me a majority of 127. Let me tell the hon. member why they did that. I have before me the returns showing the price of milk each year since 1929 at the cheese factory at Battersea, in the month of July, which we take as the average month for the year in the cheese business. In 1929 they received $1.26 per hundred pounds; in 1930, $1.17; in 1931, 83·1 cents; and in 1932, 60·3 cents. In 1933, even with the depreciated currency they received only 71·3 cents and last year they received 70·4 cents, or one cent less than 1933, notwithstanding the empire agreements and trade policies of which this government boasts. That shows why the people of Frontenac decided that this government had outlived its usefulness.

I therefore join at this time with my colleagues in saying that the people of Canada do not wish a long adjournment of the house. They want an election, so that regardless of who is elected they may know that the government is to be stable for the next five years, and so that exporters and importers will be able to buy and sell goods and make contracts for more than a few days ahead. Not only that; we all know that in an election year in the United States business falls off almost to the stagnation point, and much of our business follows theirs. The government are forcing us to go at slow speed in business for all this year, and next

year we will have to slow up along with the United States for their election year; so I say the actions of this government are forcing the business and working people of this country to face two hard years. I agree with my colleagues that we should have an election at the earliest possible time, and in order to do that we should stay here and finish the business and then bring on the election without delay.

Hon. J. C. ELLIOTT (West Middlesex): My hon. friends opposite premised their speeches on the budget, by saying that they would not have taken part in the debate had it not been for something said by someone else. I wish for a few minutes to refer to some things mentioned by the Minister of Justice (Mr. Guthrie) in his address this afternoon.

We are now in the sixth session of the seventeenth parliament. As has already been said, in only one other parliament besides this, except the war parliament, have six sessions been held. That occasion was the memorable session which ended on June 23, 1896. I say to my hon. friends, and I think this argument ought to appeal to them as much as any argument that can be made, that conditions now and with this government are very similar to what they were with that parliament and that government prior to 1896. Times were bad then. The government had lost the confidence of the people, and the members of the government had lost confidence in one another. They carried on until the legitimate life of parliament expired by effluxion of time and they were swept out of office. They were followed by a great Liberal government under Sir Wilfrid Laurier, who for fifteen years gave to this country the greatest era of prosperity it had ever had until my leader came into power in 1921.

I think the last two hon. gentlemen who have spoken are the best evidence that this government could have of how completely they have lost the confidence of the people of this country. The hon. member for North York (Mr. Mulock) was elected in a riding which had become almost a Conservative stronghold. The hon. member for Frontenac-Addington (Mr. Campbell), who was defeated by a majority of over a thousand when he was a candidate against the Henry government in June last, was elected by a majority of about three thousand. I want to say in all kindness to this government that that shows how much more unpopular this government is than the Henry government was last June.

[Mr. Campbell.]

He was a pretty good organizer who wrote that letter read by the hon. member for Frontenac-Addington. I think he was much more successful than his successor is going to be in the present campaign. He was absolutely right when he referred to the fact that a government that had stayed in power for four years, even if they had not had the intimations and suggestions and kicks from the electors that this government have had, should know that they should not cling to power any longer. Why is it done? Why did the Henry government remain in power in Ontario as long as it did? Of course it is true that there was a very close alliance between the Henry administration and this administration; there is no question about that. The best evidence that the leader of this government did not very well sense public opinion last June was the fact that just a couple of nights before the election he recommended the Henry government to the people of Ontario and predicted their return on election day. He practically made it a federal issue. As a matter of fact for some time there was a very close working arrangement between the federal government and the various provincial governments. That I think was one of the greatest reasons for these provincial governments faring as badly as they did. Perhaps you can think feelingly in that regard, Mr. Speaker, coming from the province from which you do come; I believe one of the greatest obstacles that confronted them was the fact that they were known to be in very close alignment with this government, which has outworn its welcome more rapidly, if I may say so, than any other government that has ever been in power in Canada. Consider the government that was turned out in 1896. It had not had the intimations of how it stood with the people to the extent that this government have had them. I wonder now if the government would do the same if they had it all to do over again, with these six by-elections facing them, forced upon them by members of the opposition, because none of them was held until it had to be held. This government have shown less appetite for by-elections than any other government in this country. They do not seem even very enthusiastic about filling any of the vacancies that exist at the present time. Would it not have been better to carry that miniature election last September a little farther and make it a general election and have their troubles over with? Would it not have been better to let the people know just what were the policies of

the government that was to administer the affairs of this country for the next few years?

I was very greatly interested in the remarks of my hon. friend the Minister of Justice (Mr. Guthrie) this afternoon. As usual he made the very best out of a very bad case, and I do not think I ever heard him with a worse case than he had this afternoon. However, he pointed out that this case was similar to the situation that existed in 1926. I should like to know the similarity. The Minister of Justice said the situation in 1926 affords only a very slight parallel to the present situation, and I quite agree. As has been stated so well already by my hon. friend the former Minister of Justice (Mr. Lapointe) in 1926 there was a vote of the elected representatives of the people in this house as to whom they wanted to carry on the government of this country, and they decided in favour of the party led by my right hon. leader (Mr. Mackenzie King). True, they decided that only by the very small majority of three, but I want to point out to my hon. friend the Minister of Justice that a majority of three is a great deal better than a minority of three, and that was just the difference between the two parties at that time.

That having taken place, what was the situation which confronted this house? The leader of the party did not have a seat in the house and there were no ministers from Ontario, the province from which the very best ministers come. It was necessary first of all to have the Prime Minister elected and to elect some other ministers. One would have thought that with a house fresh from the country—there could be no question of its having lost any of its popularity between the time of the election and the time of this vote—this government which speaks of chivalry, generosity and good sportsmanship would have said, "Follow the practice that is followed in England; go ahead and complete the government, organize it and carry on the work of the house." They did not do that; they objected, and right here I want to read a statement that was not read this afternoon by my hon. friend from Quebec East. I think perhaps it describes the situation at the present time better than any of the other remarks made on that occasion. I refer to the remarks made by my revered friend the hon. member for Mount Royal (Mr. White). Of course the statement was not applicable to the facts as they existed at that time but I submit, Mr. Speaker, that you will agree that it is very applicable to conditions as they exist at the present time. If I may say so with the greatest respect for my hon. friends opposite, though I do think they are trying to hang on after they have been invited to get out, I think it accurately describes the situation as it exists to-day. The statement is to be found at page 653 of Hansard for 1926, and is as follows:

> I am opposed to the motion for a long adjournment for this reason—and I endeavour to voice so far as I can the feeling of the man on the street, the outside public—

That is the man whose feeling I am trying to voice now.

> —that parliament was called for the dispatch of business, not for an adjournment of six weeks. I venture to state that no more shocking spectacle has ever been presented in connection with parliamentary government than that which we have witnessed recently in this very country. It recalls to my mind a gibe of Disraeli under somewhat similar circumstances, when he pictured the government of that day in this way.

I should like you, Mr. Speaker, to pay particular attention to this because I think it is a very accurate description of the present government.

Mr. CANTLEY: Go on.

Mr. ELLIOTT: I will go on; my hon. friend need not worry.

> He said that from a certain point along the shores of South America you can see a range of extinct volcanoes, from which not one flame flickers from a single pallid crest. So the government sit to-day.

That was the unkind expression used by the hon. member for Mount Royal in regard to a freshly elected government which enjoyed the confidence of the people at that time. What would he have said if he were attempting to describe this government to-day? Then he goes on, and I think this is also very eloquent in regard to the present situation:

> I believe rightly or wrongly that the nerves of the people of Canada are in a state of tension. I believe that the business of this country is being halted for lack of confidence in the stability of government, and the longer we delay getting on with business and determining who are to form the government and manage the affairs of Canada for some years to come, the longer will business be in a state of uncertainty, and the longer will capital hesitate to invest.

If in 1926 the nerves of the people of Canada were in a state of tension, I wonder what state they would be in to-day, after all they have gone through in the last four and a half years. He follows up with a delightful peroration, as follows:

> Is there anyone in this house who does not know the purpose of the adjournment? It is to endeavour to reanimate a moribund government, and for no other purpose, and if that be so, and this is a point I would like to stress—

And I, too, would like to stress it—

—why is it that this so-called government has met parliament?

It would have been so easy before the by-elections last fall for this government to fulfil its constitutional duty. They knew the feelings of the people, and instead of having by-elections they should have had the general elections. However, we know they decided not to do so, and chose rather to meet parliament. Before calling parliament it would seem the government felt some work was necessary to make parliament receptive to the great reform measures to be introduced. These measures were not forecast in the ordinary manner in which measures are made known, namely, in the speech from the throne. In this instance they were heralded and broadcast throughout the land by radio. We were told of the great reforms contemplated and the great change of heart which had been experienced by people whose hearts prior to that time had not shown any pronounced reform tendencies.

Well, the house met and the speech from the throne was delivered. We heard more about the legislation to be brought before parliament. The indications both in the radio addresses and in the speech from the throne were that for over a year these matters had been in the hearts and minds of hon. members of the government and their followers. We understood the government had given the measures serious consideration, and my recollection is that the suggestion was made that some of the legislation had been ready for a year. Following the delivery of the speech from the throne my right hon. leader suggested that if, as was claimed, the reforms were ready, if such reforms were to be of such great benefit to the Canadian people, in view of the fact that undoubtedly reforms were needed, we should have such measures placed before us as rapidly as possible. But, following the adoption of the address we witnessed the remarkable spectacle of a supporter of the government, instead of introducing new legislation, moving a resolution in an attempt to prove that some previous legislation, namely empire agreements which had been passed years before, was good legislation. The government seemed to have some doubt about the matter, with the result that my good farmer friend from Toronto-Scarborough (Mr. Harris) moved the resolution, and in his observations indicated the great benefits accruing to the farmers of Toronto-Scarborough and the rest of Canada from the trade agreements. Hours—yes, days—were taken up in an argument about legislation which had been passed, and the resolution, strange to say, has not yet been voted upon. At that time it did not appear as though the government was at all enthusiastic about its reform program or that it was ready to proceed with the legislation about which the Prime Minister had spoken.

As the Minister of Railways and Canals (Mr. Manion) is in his seat I should like to describe that which appeared to me as the next most interesting and ingenious method of killing time which has been adopted since the beginning of the session. As the first item to be considered in the estimates for the Department of Railways and Canals we had for discussion an item respecting tourist traffic. Apparently realizing that all the people in the various countries of the world who contemplated travelling were constant readers of Canadian Hansard, the minister evidently concluded that in order to be successful in the development of tourist trade he must place on Hansard the great advantages offered to tourists visiting Canada. He did it spendidly, and so inspired his followers that nearly every hon. member who had a stream running through his riding or a small clump of trees situated thereon felt constrained to rise in his place and state that he, too, knew of a wonderful place for the tourist to visit.

Mr. MANION: Quite a few hon. members opposite spoke, too.

Mr. ELLIOTT: Yes, but not as many as my hon. friend would have wished.

Mr. MANION: They do not come from as fine parts of the country.

Mr. ELLIOTT: Well, may I say to the minister, who undoubtedly knows the county of Middlesex, that if he came from a county like Middlesex he would not need to tell the the world about the beauties of his constituency; they would know. That debate continued for some time.

I believe you will agree with me, Mr. Speaker, due to the expense and to the fact that you have work to do at home, that it would be well as soon as possible to terminate the present session. When estimates were offered for consideration my right hon. leader agreed to their passage so that ample opportunity would be afforded to proceed with the reform legislation. Despite that fact, however, hon. members on the government benches proceeded to discuss their own estimates in a manner which to my mind appeared quite novel. When on a former occasion I was charged with the passage of estimates I did not occupy any more of the time of the house than was necessary, a practice which I believe is followed in every well regulated government.

Undoubtedly every hon. member of every shade of political thought deeply regrets the illness which has overtaken the Prime Minister. We are all of one mind in giving sincere thanks for the fact that he is recovering and, according to present indications, will be in fit physical condition to attend the jubilee ceremonies to be held in London in the month of May. May I point out however that there are sixteen other ministers in the government. No person has stressed to a greater degree than has the Prime Minister the necessity for reasonable economies in the transaction of the country's business. All members of this house will join in an expression of thankfulness for his recovery and will share the hope of seeing him in the house before the end of the session.

May I just point out what this adjournment means?

The Prime Minister, speaking in this house on November 10, 1932, as reported at page 1065 of Hansard, said:

> Why waste $15,000 per day of the taxpayers money, $100,000 a week, in reiterating statements not one word of which adds any new information?

Mr. MACKENZIE KING: Who was it said that?

Mr. ELLIOTT: The present Prime Minister. He said:

> Why waste $15,000 per day of the taxpayers' money, $100,000 a week?

After all, Mr. Speaker, the taxpayers of this country have come through just about all that they can bear. I wonder if this government has considered what it is going to mean to have this house adjourn for four or five extra weeks. I am not now referring to the legislation with respect to the price spreads commission, because I understand that their report is ready to table at the present time. The Minister of Justice (Mr. Guthrie) assumed that after that report was tabled it would take two or three weeks to prepare the necessary legislation. That seems a long time, but it is important legislation. That would bring us to the Tuesday after Easter Monday. We could then resume and go on with that business, and that I submit to this house with very great earnestness is what I believe we should do.

The Minister of Justice quoted the precedent of 1911 when Sir Robert Borden, then Mr. Borden, moved that a two months' adjournment should take place so as to enable the Prime Minister to attend, as he said, the coronation. But I want to call the attention of the Minister of Justice to the fact that it was not the coronation alone, but the coronation and the imperial conference that was taking place at the same time, and which it was necessary for the Prime Minister of Canada to attend, and it was the unanimous opinion of members of this house that he should go. The Minister of Justice has referred to the great chivalry displayed in that motion being made by a member of the opposition, a gentleman for whom we all have the greatest respect. But I should call attention to this fact, that while the Prime Minister was away in London, those who before his leaving had spoken in favour of a reciprocity arrangement started a campaign against it and enunciated the policy of "no truck or trade with the Yankees." Those who now profess to be so much in favour of reciprocity left no stone unturned at that time to defeat what would have been one of the greatest blessings ever offered to this country, and which the present government have not been very successful in getting if their efforts have been just as diligent as this house has been led to believe they have been in recent years.

It is interesting to recall that during that campaign—of course I was very young at the time, but I remember the speeches made by the present Minister of Justice in favour of reciprocity and I remember his denunciation of the noble eighteen who opposed it and of all the rest who talked this silly nonsense, as he described it, of having no truck or trade with the Yankees.

I think perhaps I have overstepped the time I intended to take up, but I do wish to urge upon the government that they reconsider their decision with regard to the proposed adjournment. After all every member of this house has duties and responsibilities and obligations at the present time, and every member of this house knows perfectly well that if we adjourn until the twentieth of May, thus getting into a season when this chamber becomes at times almost unbearable, business that we could now dispose of in an extra week or ten days will occupy the time of the house for three weeks or more. Many members of the house will have an election campaign to fight, and the demands upon them are pretty strenuous financially and physically at the present time. I do hope that the government will reconsider their decision. If it is going to take two weeks to prepare the price spreads legislation—I know it is an important matter and should receive all the attention it demands—it could be ready for the house to proceed with on the Tuesday after Easter Monday. We could then get through with the work of the house in a very short time, and the members could

go to their homes and look after the good of the country by trying to get reelected in the best way they could.

There is not much more that I have to say. No business institution in Canada would make a suggestion of the kind now put forward by the government. I regret that the acting Prime Minister is not in his seat at the moment, but I do ask his colleagues who are here to reconsider the decision at which apparently they have arrived to have this long adjournment. Let us come back after the ordinary Easter recess, conclude the business of the session, and thereby save the very serious drain upon the taxpayers of this country of the $15,000 a day to which the Prime Minister referred, and which undoubtedly is a very serious matter at the present time.

Mr. J. L. BROWN (Lisgar): Mr. Speaker, there are many things that have been suggested by the various debates that have taken place during the session that might call for remarks, but it is not my intention to discuss the past debates at any length. Rather would I confine myself to giving a few reasons why it would seem inadvisable that a long adjournment of the house should be taken.

There is one thing, however, to which I should like to refer, and that was suggested by the number of references that have been made this evening to reciprocity. I met a friend, a personal friend but a political opponent with whom I have had political controversies in the past, and I told him that the best joke of the session was that the Minister of Finance (Mr. Rhodes) had said that the Conservative party had never been opposed to reciprocity. I said to him, "How would you have liked to go back home during the controversy we had in 1911 and tell the people that the Conservative party had never been opposed to reciprocity?" He said, "I thought we were." That reminded me of a story told of an adherent to a certain sect which does not believe in the realities of evil or sin. This man once met a little girl and he asked her how her father was. She replied, "Oh, he is very sick." He said, "He only thinks he is sick." A few weeks later he met the little girl again and inquired as to her fathers' health. She said, "He thinks he is dead and the neighbours thought so too for they came and took him away to bury him." It is evident that the Conservatives only thought they were opposed to reciprocity. It would be interesting to know whether they were really opposed to it, whether they only thought they were or just what their real attitude was. However, this gentleman said to me, "We thought we were opposed to reciprocity." We certainly thought they were, and I still think there is abundant evidence that the Conservatives were opposed to reciprocity in 1911.

In connection with the proposed adjournment, personally I have no objection to it as it meets my own plans fairly well. However, it does place an undue burden upon hon. members who come from distant places and who have taken up residences in Ottawa for a definite time. This objection has been urged quite strongly. The request for a long adjournment is quite in harmony with the attitude of this government throughout this session. It has been evident on more than one occasion that the government was stalling for time. I would refer to the instance when the hon. member for Vancouver Centre (Mr. Mackenzie) moved a vote of want of confidence in the government. After hon. members on this side had finished the debate, it was continued by hon. members opposite for a full day, indicating that they were stalling for time.

One reason why I would protest against a long adjournment is illustrated by a matter which I brought to the notice of the government. I pointed out that a motion for a return asking for the increases and decreases made in duties during the sessions of 1929 and 1930 was passed but the return had not been made. I pointed out that the hon. member for Nelson (Mr. Stitt) had asked for a return giving only the increases, and that this had been tabled. I think it desirable, before hon. members are allowed to go into the west to spread these stories about the number of increases in the tariff made in those particular sessions, that the full facts be placed before the house. Evidently the government does not want to give these full facts; it wants to lay stress upon the increases made in the tariff. This is quite in harmony with the practices of the past. I doubt if the government will say anything more about the decreases which were made in the tariff during the sessions of 1929 and 1930 than the Minister of Railways and Canals (Mr. Manion) said the other day when he referred to the reductions in the British preference on hay, straw and such things. The Minister of Railways said that this was one of the things out of which he got a good laugh—the loud laugh that speaks the vacant mind. Hon. members opposite like to refer to the putting of hay and straw on the free list, but I think we should discuss this matter sanely and intelligently. When the Minister of Finance of that day, Hon. Charles Dunning, presented his budget, it

was stated quite plainly that about fifty articles had been put on the free list because under no circumstances would any of them be imported from Great Britain. This fact was made abundantly clear. Is it any more foolish to put these articles on the free list than to continue them as dutiable under the British preference? Is it any more foolish to put hay and straw on the free list than to keep them on the tariff schedule with a duty of about $1.60? That is all that was done, yet hon. gentlemen went through the country and tried to create a great laugh because of this.

One of the greatest offenders in this respect was the former Minister of Trade and Commerce (Mr. Stevens), the gentleman who has been talking so much about ethics in business. He forgot there was such a thing as ethics in political controversy. At a meeting in my constituency he referred to the sinister joke and gesture of the so-called Dunning budget, whereas if the facts had been stated properly the explanation would have been that the sheets had been wiped clear of fifty articles which under no circumstances would be imported from Great Britain. It was more sensible to put them on the free list than to allow them to remain in the tariff schedules. I would like to have this return showing the decreases made in the tariff during those sessions before hon. members go out through the country to make their tariff speeches and repeat the misrepresentations they have made in the past. However, I am afraid I will not get this before adjournment.

There is a stronger reason why we should not have this long adjournment. The farm loan bill is now before the senate, and I should like to know if it will come back to us, with possible senate amendments, before we adjourn at Easter. It is of the greatest importance that this bill should be passed and placed upon the statute books at the earliest possible date. The farmers all through the country are waiting for this legislation in order that they may receive its benefits. All the legislation to be offered at this session should be completed as speedily as possible. Any relief measures which this government proposes to bring down should receive immediate sanction. What happened last year? We passed a works program of $40,000,000, but this could not be passed before the end of June, at which time over half the season for the carrying on of public works had passed. We had been told since that only $8,000,000 of this amount was spent. It seems absurd to allow half the summer season to pass, the season for the construction of public works, before passing such legislation. However, that was the situation that prevailed last year and it will prevail again this year if these measures are not presented immediately. What was the use of providing for $40,000,000 to relieve unemployment and then spending only about $8,000,000? I contend it is absolutely necessary that the business of this parliament should be concluded as speedily as possible in order that these very important measures may be placed on the statute books and that the people of Canada who are dependent upon relief may know just what relief it will be possible for them to obtain. This cannot be done until these measures are finally given effect to according to the rules of procedure.

It has been contended that there is no demand for an immediate election. I had a letter from one of my constituents to-day in which he says: "Is there no way by which the Liberals can force an immediate election?" He pointed to the rumours that were reported in the newspapers that an election was not likely to be held until September, and said that the Conservatives always liked to choose for an election the time when the producers, the farmers, would not be able to attend to it, being engaged with their farm work. Perhaps that is the thought that was in the mind of the Minister of Justice when he said that the government would choose the time when they thought they could win. Undoubtedly the month of September is about the poorest time it is possible to choose for an election in the prairie provinces. The farmers are busily engaged with their harvests, and in many cases it is not possible for them to get help to carry on their work. The threshing machines are all running, and in order to get men out to the polls it is necessary for the party workers on both sides to provide extra men to keep the gangs working while the other men are away at the polls. It is about the worst month possible for holding an election in the west. The proper time to hold an election in the prairie provinces is the month of June.

Mr. A. S. RENNIE (South Oxford): I have listened with a great deal of interest to the remarks made in the debate on the amendment; I have enjoyed them very much, and in my rambling observations I may possibly cover some of the ground that has been traversed by previous speakers. Let me say first that to my mind three important factors stand out very strongly as to why at this time there should not be a long adjournment of the house. Those three factors are: first, the

cost involved; second, the inconvenience to the members and those interested in the government of the country, and, third, the demoralizing effect upon the trade of the dominion. We are all interested in present economic conditions in Canada, and we on this side of the house all feel that those who are bearing the burden of taxation to-day should not be asked to bear any more. The cost involved in a long adjournment will mean that the farmers especially and the taxpayers generally will be again burdened with unnecessary taxes. That is one reason why a long adjournment should not be considered at this time. Another reason is, as I have said, the inconvenience and expense which will be occasioned to members from the west or other points a long distance from Ottawa through their having to go home for a five weeks vacation and afterwards return for the remaining period of the session.

There is another reason, and possibly one of the most important that we as members of the House of Commons should consider. I recall in days gone by in the mercantile business in Ontario the stagnant condition which prevailed during the period before a presidential election in the United States, and I believe in this province to-day a pending election has a great tendency to demoralize the mercantile business. Therefore I think a long adjournment will give the people the idea that the time elapsing before the election is to be prolonged, and such a condition will demoralize trade. That to my mind is a very bad situation for the country to be in.

In my short experience in the House of Commons there has been introduced a resolution which in my opinion is an absurd one. I refer to a motion moved last February by my good friend the hon. member for Toronto-Scarborough (Mr. Harris) in connection with the Ottawa trade agreements. May I just retrace my steps to my constituency for a moment? It is my pleasure and privilege to represent South Oxford, which in days gone by has sent to this house such men as Sir Richard Cartwright, the late Malcolm Schell, the late Thomas Cayley, and my good friend Hon. Donald Sutherland, who was of the same political views as those of my hon. friends opposite. Those were citizens from the good old constituency of Oxford who had the respect of everyone in the riding and who were men of high ideals. Coming from that riding, which is practically a farming one, where there has never been any failure of crops and where we find a very fine type of farmers, may I say that during the last couple of years those farmers who were prosperous in days gone by are experiencing most difficult conditions under the policies of the present government. They find they cannot sell their products for the price they should get for them. I was quite interested last year at tax paying time when one of the good farmers in my constituency, one who happens to be a Conservative in politics, said to me: "Rennie, this is the first time in the thirty years that I have been farming that I have found it difficult to pay my taxes. I have the grain in the barn, but it seems almost impossible to sell it." If the Ottawa agreements appealed to the farmers in the days when they were first introduced, I think they would have appealed to the farming people of my constituency. But the people of South Oxford have at least a couple of grievances with regard to the present government. Possibly the house will recall that in 1932 a certain resident of South Oxford was selected by the government to make an investigation into the tobacco situation. I make bold to say that had that report been brought down in the House of Commons long before it was, the tobacco people in the southern part of Ontario would have benefited a great deal thereby. So I say that in that particular case the present government is not one of action, but I believe we might well call it a government of delays.

I should like briefly to outline conditions in my constituency. My predecessor, Mr. Cayley, who was a fine type of gentleman, was elected in South Oxford in the election of 1930. He died in May 1933, and I appreciate the remarks made by the present Prime Minister (Mr. Bennett) as recorded in Hansard of January 25, 1934, when in paying tribute to Mr. Cayley, he said:

> He was a representative of the very finest type of citizenship of the old province of Ontario.

South Oxford had no representation in this house from May, 1933, until May, 1934. If the fine type of citizenship about which the Prime Minister was speaking came from that constituency, why was South Oxford so disfranchised? I think the principal reason was that the government of the day had not enough confidence in their policies to give the farmers of South Oxford an opportunity to express their opinion at the polls. However, an election was brought on in April, 1934. Why do I bring this up? Simply because if there is any evidence from the farmers of what they think of the Ottawa agreements you have it from the farmers of South Oxford. Remember that in that campaign the policies of the present administration were very well expounded. I remember my genial friend the hon. member for

Dufferin-Simcoe (Mr. Rowe) going up and down the highways and byways of South Oxford telling the people of the great good that the Ottawa agreements were going to be to them. After all this, and after several of the cabinet ministers had come into the constituency, what was the result of the by-election in 1934? It gave the Liberal candidate and the policies of Right Hon. W. L. Mackenzie King the largest majority ever accorded to any candidate there since confederation. I leave it to the house, therefore, to draw a conclusion as to the views of the farmers of that great constituency with respect to the Ottawa agreements and what benefit those agreements have been to them.

Last February the hon. member for Toronto-Scarborough introduced in the house a resolution which it is not necessary for me to repeat. I know what the South Oxford farmers did in 1934, but in order to be perfectly fair I thought it desirable to ascertain what the farmers there think of the situation to-day, so I took the opportunity of writing to a couple of men and I have here telegrams from them. They are men of that standard of citizenship that most counties admire, men who are above reproach; one of them happens to be an ex-warden of the county. I asked him to give me his candid opinion of the Ottawa agreements, and this is what Harry H. Scott, ex-warden of Oxford, said regarding the Ottawa agreements:

> Re Ottawa agreements, my candid opinion is we have benefited some by our bacon quota with Great Britain. Our cattle, wheat and dairy products have suffered by the Ottawa agreements.

I also wrote to one who is a large producer of milk in another part of the riding and asked his candid opinion. This is what Mr. Colin A. Hawkins, one of the fine farmers of South Oxford, said:

> The dairy industry has been practically ruined; dairy products of all kinds are being sold far below cost of production; hence the longer the dairy farmers follow their occupation the further they are becoming in debt.

So that reveals the situation as far as the general farmer in South Oxford is concerned.

I have been looking into the statistics to find what benefit the Ottawa agreements have been to the Canadian farmer. We are thinking now pretty much of wheat, and on checking up the record I find that in 1932, for the twelve months ended November, which covers pretty closely the year before the agreements went into effect, the total export of wheat from Canada was 222,000,000 bushels. In 1933 it had dropped to 202,000,000 bushels, and by 1934 it had fallen to 168,000,000 bushels. I am dealing here with exports to all countries. After all, what the farmer wants is a market for his product; he is not very particular as to the destination of his grain once it leaves his hands. If however we turn to the exports to the United Kingdom we find this situation:

Exports of Wheat to the United Kingdom
(Twelve months ending in November in each year)

	Bushels
1932	135,500,000
1933	124,800,000
1934	118,614,000

It is interesting to compare these exports with our exports to the United States during the same period:

Exports of Wheat to the United States
(Twelve months ending in November in each year)

	Bushels
1932	1,080,000
1933	374,000
1934	6,181,000

So it would seem that the more the present government tries to direct trade in one direction the more it goes in another.

It was supposed that when we adopted the empire trade agreements our imports from the United Kingdom would increase and our imports from the United States would fall off. But the fact has been quite the opposite. I have here a table showing the imports of dutiable goods from the United Kingdom and from the United States which I would like to put on Hansard. The facts tell the story.

Mr. DEPUTY SPEAKER: Will the hon. gentleman try to keep somewhere near the amendment? These are all budget speeches that we have had.

Mr. CASGRAIN: Remarks similar to these made by the hon. member (Mr. Rennie) were allowed by the Speaker in 1926 on a similar motion.

Mr. RENNIE: This table is in millions of dollars:

Dutiable Imports
(In millions of dollars)

Year	United Kingdom	United States
1932	65.5	168.2
1933	52.3	128.6
1934	61.0	107.3

It is clear that our imports of dutiable goods from the United Kingdom are still below the level reached in 1932. That is all I wish to say at the moment in regard to the Ottawa agreements. The figures speak for themselves.

The hon. member for Brome-Missisquoi (Mr. Pickel) referred the other night to the lack of discipline among the youth of the

country. It has been my pleasure and privilege for a number of years to be interested in boy scout work and the rover scout movement. I think it is quite uncalled for that we should take the stand to-day that the youth of our country are not up to the standard of those in days gone by. I take great exception to that statement. I think we are turning out of our colleges and universities to-day young men and women with high ideals who are a credit to this country. What I think we need so far as our youth are concerned is perhaps a little more leadership on the part of the present government so that when these young men and women pass their examinations and leave college they may have an opportunity to get a start in life, which at the present time under the policies of this government they cannot find.

These have been rather rambling remarks, Mr. Speaker, but I do think the proposed long adjournment is entirely uncalled for. I believe the great task of the government is to restore confidence on the part of the people of this dominion. Instead of adjourning for six weeks the government should be more active in helping the great mass of farmers who are finding these the most trying times they have experienced in many years. I urge the government not to delay in bringing in some measures of reform which will help the farmers, because after all the farmers constitute the back-bone of this great country which we all love so much.

Mr. PAUL MERCIER (St. Henri): Mr. Speaker, as you know, I am the representative in this house of the St. Henri division of Montreal. In that constituency we have what we call a temple of eloquence, a magnificent hall, where we had the pleasure of receiving two outstanding Canadian statesmen. In the middle of November we had the pleasure and honour of hearing the hon. member for East Kootenay (Mr. Stevens), who came to our district to tell the people of Montreal of the settlement in the near future of all the grievances he had and they had in regard to trade and industry. Then during the month of January last, a few weeks before this session opened, we had the pleasure of hearing, not only in that magnificent hall but all over Canada by means of the radio, the Prime Minister (Mr. Bennett), who announced reforms which were to be brought about during the present session, and some of which were set out in the speech from the throne. Contained in that speech are references to many matters, some of which have been dealt with and others of which as yet have not come before us. I should like to read one paragraph, which eulogizes Canada and her inhabitants, but if you read that paragraph to-day you read it with sorrow. The paragraph is as follows:

> The four hundredth anniversary of the landing of Jacques Cartier was fittingly commemorated in the chief centres connected with his voyages of discovery. Representatives of the governments of the United Kingdom, France, and the United States, took part. The celebration and the visit of a large and distinguished mission from France knit new bonds of understanding.

May I make a reference, sir to the untimely passing of the United States Minister to Canada, Hon. Warren Delano Robbins, who died yesterday. He served the people of his country well. He took part in all the celebrations connected with the Jacques Cartier festival. He was extremely kind to French Canadians, speaking all the time in the French language in order to show that he was bilingual and that, while living in Canada under the British flag, he had sympathy with the people who carry on the traditions of old France in this country. I wish to pay a tribute to Mr. Robbins, who served the United States so well in Canada and who has departed to the great beyond. I hope that God will give him a very happy eternal life.

In the speech from the throne I find mention of many matters that have been presented to this house in the form of legislation. Some of these have been passed; some have not yet received the royal assent, while others have not been even considered. I humbly submit that it is very difficult for us to adjourn at this time. I do not make this reference as a political move on my own behalf; I make it as a matter of business. Those engaged in commercial undertakings, in farming or in professional life, know that to be crowned with success any work must be carried on with continuity of purpose. The people of Canada have sent us here to look after the business of the country and to safeguard their rights, and this adjournment will be a disappointment not only to us as members but to the people generally. We come here from distant provinces, from the Atlantic to the Pacific; we are called together by a proclamation appearing in the Canada Gazette, and we expect to deliberate here until the session is ended. Many of the matters dealt with in the speech from the throne have been discussed and passed by this house; many have not yet been presented. The people are watching these days to see if their representatives are performing their duties and assisting in the passage of the reforms which were announced and which are to be placed before parliament. All people,

irrespective of their political leanings, will admit that the people are suffering. Industrialists are discouraged. The farmers have been expecting better prices for their products, but have not received those prices. The professional man is dreaming of better days, and the small real estate owner looks towards better times.

Hon. members who have preceded me in this debate have outlined the case for the farmer, and I believe I would do well to place before hon. members the case for the real estate owner. In my view this is a matter which in the very near future will demand careful consideration. Only a few days ago I read in Montreal newspapers about an answer which had been given by the Minister of Marine (Mr. Duranleau) to a delegation which had to come to Ottawa and appeared before him asking for remedies for their grievances. It was announced that in the near future a law might be introduced which would have the effect of meeting those grievances. It is known that not only in the city of Montreal but in the city of Quebec and, in fact, throughout Canada the small real estate owner cannot make both ends meet. He cannot pay the interest on his loans nor can he make his payments of taxes at the city hall. On the other hand the farmer cannot make his payments to the county treasurer or to the local municipal council.

I believe all hon. members are anxious to see legislation along these lines put into effect right away, and we are of the opinion that such action should not have to wait until after an election is held. Interest is not being paid to creditors. Municipalities are looking everywhere in an effort to collect their taxes. Bills may be sent but no cheques or answers are received. The last session of the Quebec legislature authorized the city of Montreal to tax its citizens to the extent of nearly $8,500,000. These moneys are not to be collected for the purpose of paying for work, but are merely to balance the budget. Out of that enormous sum no moneys will be paid for future work; their only use will be that of meeting the deficit.

The real estate owner is not paid by the unemployment commission in the city of Montreal even for his rent. The commission is short of money and for that reason cannot hand it out. All the people are hoping that legislation may be introduced which will have the effect of helping the small real estate owner, who after all is a man who is most useful to the country; his prosperity means an encouragement to many lines of endeavour, such as carpentry, plumbing, bricklaying, electrical work, roofing, painting, stone cutting and so on. Of course we agree that our farmer friends from the west need help, due to the fact that they are in distressed circumstances, but we must remember that to some extent they have received relief. I urge now that the urban dweller, the small real estate owner, must be helped. He must receive consideration from provincial and federal authorities so that he may be given a chance to free himself from bankruptcy. These people, through their savings, or through sums inherited, have built homes, but they are obliged to pay taxes which in the city of Montreal are as constant as a summer rain. Because of his heavy burdens he is suffering most severely. The real estate owner has no income and no work, and because of these facts I say a measure should be presented which will extend to him the help which the farmers and the wheat producers have enjoyed.

It is most interesting to note the absence of speakers on the government side. I do not offer any words of reproach to the hon. member for Lake St. John (Mr. Duguay), because he is not often heard in this chamber. He can be as silent as a squirrel, but he should be careful when the hunter is about.

Mr. DUGUAY: But as a squirrel I may be prepared to whistle.

Mr. MERCIER (St. Henri): You will whistle soon enough. Hon. members on this side of the house have not spoken at length because we have been accused of opposing everything. It has been said that it has been the policy of the opposition "to oppose, to oppose, to oppose." We do not oppose what the government has stolen from us in the formation of its political program. When they go before the people of Canada dressed in our clothes and in our colours they will not be disguised sufficiently to prevent the people from voting against them.

The suggestion for the long adjournment astonishes me. We see in the government men who are good lawyers and good politicians. No man under the sun is indispensable. Sir Wilfred Laurier departed prematurely to the great beyond. His life has been told in the words of many authors, and his qualities as a statesman will live in the memories of Canadians of all generations. To-day we have as leader of the opposition a man who with the wind in his favour will be returned as Prime Minister of Canada.

The trouble with this adjournment is that it is too long. We are obliged to go back to our homes, to our farms and to our business, leaving something undone, something on which we have been spending our time since January 17 for the benefit of the nation. We have been here since the opening of the session assimilating the legislation which has been introduced becoming familiar with it; and now it is proposed that we should suspend our deliberations and return after five or six weeks and take up again the legislation we have left unfinished. What would be said of one who started painting a picture on January 17, and then when the painting was still unfinished left off work on April 12 or 13 and did not come back to it until May 20? Of course the picture would not look well; some of the paint would be fainter than the rest, and the picture would lack that which continuity of effort would ordinarily bring to it. It is about the same with this legislation that we are asked to leave unfinished. We have a big task before us. Here is legislation for the benefit of Canada, and it will be bad for the people if we go home and leave it unfinished. Let us put all these reforms through as soon as possible. They are not valentines that we are sending out to the people; they are not simply good wishes; they are laws that we are enacting to help the people, laws that were conceived by the Liberal party but have been put into Conservative shape and are being brought down by the Conservative government. How could we oppose these measures that we ourselves have conceived? It is like bringing up a child that we had cherished; when he is compelled to go elsewhere for a time and meets with other companions, we do not on that account reject him.

What can we say to the people if we go home without passing these social reforms? Everybody welcomed them in my district. One of the listeners-in to the Prime Minister's addresses would not move on when somebody told him the radio address was finished. He said that he was waiting for a souvenir which he thought was going to be distributed with the reforms. But there are no souvenirs accompanying them, and I believe that the reforms themselves are inadequate. I believe that the wind is in our favour and that we shall come back to power, and I am afraid that then we shall find these reforms on our doorstep, which will be a nasty position for the next administration.

Mr. CASGRAIN: We shall have to nurse them.

[Mr. Mercier.]

Mr. MERCIER (St. Henri): I come now to the three propositions contained in the amendment moved by the hon. member for Quebec East (Mr. Lapointe). First he states that the public interest will best be served by parliament continuing in session until it has completed the consideration of those measures mentioned in the speech from the throne and not yet introduced. That is quite true. We have only to read the speech from the throne to see that it promises many things for the people of Canada, for the working man, for the farmer, for the merchant, for industry, and that legislation should be brought down as soon as possible. The speech from the throne is a sort of agenda which says to the people of Canada: Here is what we are going to give you this session. This is the last chance of this government to bring about prosperity. I do not say that the government should be forced to bring down to the very letter everything that is mentioned in the speech from the throne, but the principles that are there enunciated should be put into force, and the speech from the throne does mention many measures for the welfare of Canada. As far as I am concerned, as a representative of the people, if I see the people happy I am happy. I would like to see prosperity return again. I am not narrow-minded enough not to want to see prosperity return under this government simply because we are now in opposition. No, I should like to see prosperity return, and I should like to see this legislation that was promised in the speech from the throne brought down. The speech from the throne was the most glowing rainbow I have ever seen in the political skies for the benefit of the people of Canada. Let us get on with the legislation and finish our work. We can adjourn for a week at Easter, and then come back and finish up the work of the session as soon as possible, to the satisfaction of the people and our own satisfaction, and then we shall be free to go home and organize our battalions and get ready for the fray.

Secondly, the amendment urges that the discussion of the measures already before the house and not yet passed should be completed. The people of Canada are eagerly awaiting the legislation based on the report of the price spreads commission and the report of the housing committee. If we leave those reports in abeyance for five weeks, what will the people say? Why not take a week to study them, from April 12 until after the Easter holiday, and then come back and try to put the recommendations of those committees into legislative form to help consumer and producer?—because we must work for both

to bring about prosperity. One must not be so much strengthened that he will strangle the other.

The amendment calls for the consideration of such legislative proposals as may be rendered necessary or advisable by the report of the price spreads commission and the report of the special committee on housing. The people are expecting this legislation to be brought down in the near future. The acting Prime Minister (Sir George Perley) is a very refined and able man. He has made a good leader since he has been in charge, but he should not ask that the house be adjourned for twenty days or five weeks. I do not pay him this compliment in order to get something, as I have been elected to oppose the government. I and the people of my constituency think that such an adjournment is not in the interests of the house or the country. We do not want to appear ungrateful; there is so much ungratefulness in the world to-day. If you cannot take care of yourself you do not find many people ready to nurse you. The only castle we have in sight just now is the poor house. I think a vote against this adjournment would be approved by the country. The full program of legislation should be placed before us in order that we may study it, and the house should then proceed with its business without interruption.

Mr. OSCAR L. BOULANGER (Bellechasse): Mr. Speaker, if personal reasons were being considered this evening I could offer a good one against a prolonged adjournment. In company with ten other hon. members of the royal commission on price spreads, I have been here in Ottawa since the latter part of October. Although this city is a pleasant, agreeable and hospitable place, we are all anxious to get home. However, I submit that personal reasons should not be taken into account. The convenience or inconvenience of hon. members is no reason why they should be either for or against the adjournment of the house. The only reason which should be considered is the interest and advantage of the nation. I submit that the interest and advantage of the nation demand that the house continue in session, after the usual short adjournment for Easter, and finish the business of the house in order to give the people a chance to make known their opinion on the way the affairs of this country have been administered during the last five years.

The government have asked for a long adjournment for two reasons. The first is the unfortunate illness of the Prime Minister (Mr. Bennett), and the other, as they allege, is the necessity for considering legislation to be brought down to implement the recommendations of the royal commission on price spreads and mass buying. In connection with the first reason I submit, as I submitted a moment ago, that personal reasons should not be taken into account. We are all sorry that the Prime Minister has been ill and our sincere hope is that he may have a prompt and complete recovery. But I submit in all humility that the interests of the nation are superior to the convenience of the Prime Minister or of the government or of the Conservative party. After all, Canada is not the Prime Minister's kingdom or seigniory. It is too bad that he has been ill, but that is not the fault of Canada. There should be some good man in the ranks of the Conservative party ready to carry on during the time necessary for the recovery of the Prime Minister. When a king dies, we say, "The king is dead, long live the king." A new king is always selected immediately to replace the one who has died, and the same thing should be true of prime ministers, leaders of parties or leaders of governments; if for some reason the recognized leader is unable to continue, he should pass the helm of the state over to the second in command. I agree entirely with the previous speaker (Mr. Mercier, St. Henri) who stated that the Prime Minister was lucky in having a second in command in the person of the acting Prime Minister, (Sir George Perley). The right hon. gentleman has done exceedingly well during the absence of the Prime Minister, and he deserves the congratulations of every hon. member.

Sir GEORGE PERLEY: What can I do for the hon. member?

Mr. BOULANGER: I am not asking for anything. The second reason advanced by the government for a long adjournment is the necessity of studying the legislation necessary to implement the recommendations of the price spreads commission. If the government do not know what that commission is going to recommend to-morrow morning, they are the only ones who do not know.

At eleven o'clock the house adjourned without question put, pursuant to standing order.

Tuesday, April 9, 1935

The house met at three o'clock.

REPORTS OF COMMITTEES

First report of the select standing committee on banking and commerce.—Mr. Chaplin.

Second report of the select standing committee on government railways and shipping owned, operated and controlled by the government.—Mr. Geary.

REHABILITATION OF DROUGHT AREAS

Hon. ROBERT WEIR (Minister of Agriculture): I propose to proceed with the resolution standing in my name in yesterday's votes and proceedings. I realize that it can only be done with the unanimous consent of the house.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): No objection.

Mr. WEIR (Melfort) moved that the house go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to bring in a measure to provide for the rehabilitation of drought areas in the provinces of Manitoba, Saskatchewan and Alberta, and for the appropriation for the said purposes of such funds as may be necessary to carry into effect the proposed legislation.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Motion agreed to.

DOMINION ELECTIONS ACT

Mr. W. A. BEYNON (Moose Jaw) moved for leave to introduce Bill No. 52 to amend the Dominion Elections Act, 1934. (Alternative vote.).

Some hon. MEMBERS: Explain.

Mr. BEYNON: Mr. Speaker, the object of this bill is to introduce the alternative vote so far as the province of Saskatchewan is concerned. It is limited to that province for this reason: There is a large body of public opinion in all parts of Canada in favour of some such system of voting, and there is also considerable opposition to it in some sections of Canada. It was thought advisable to introduce the system with reference to Saskatchewan only as an experiment, in order that the people—

Some hon. MEMBERS: Oh, oh.

Mr. McINTOSH: Why divide the country like that?

Mr. BEYNON: I will explain that in a moment. Several attempts have been made to introduce such a system of voting for the whole of Canada, but they have always failed largely, I think, because the people are not familiar with it and do not realize its advantages. It was thought that by experimenting with one province the people would see how it works out, and perhaps they might view it in a different light.

The object of this method of voting is this. It very often happens under the present system that where one candidate is to be elected more than two candidates run, and the candidate elected receives a minority of the votes in the riding. One of the main reasons for applying it to Saskatchewan, so far as I am concerned, is that I am familiar with the situation in that province. The other reason is that hon. gentlemen opposite have told us, and I have no doubt they were sincere, that in the province of Saskatchewan there is a great preponderance of public opinion in favour of the Liberal party.

Some hon. MEMBERS: Hear, hear.

Mr. BEYNON: The only danger they face there is that with third parties intervening their vote may be split up, and the Conservative might be elected by a minority vote.

Some hon. MEMBERS: Oh, oh.

Mr. BEYNON: While we like to come to Ottawa, as supporters of the government we do not like to come representing a minority of our riding. Of course if hon. gentlemen opposite are merely boasting; if they want to come down here by a minority vote, that is a horse of a different colour, but if they have behind them that preponderance of public opinion which we are told they have, this system of voting will be all to their advantage because it will enable the majority to express their will without allowing some third party to come in and split that majority so that some candidate, receiving only a minority of the votes, may find himself elected.

Motion agreed to, on division, and bill read the first time.

PRICE SPREADS AND MASS BUYING

PUBLICATION OF REPORT IN THE PRESS IN ADVANCE OF PRESENTATION TO PARLIAMENT

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Mr. Speaker, I understood that to-day the house was to receive the report of the royal commission on price spreads and mass buying. Up to the present time the report has not been presented to the house, but what appears to be a very complete statement of the recommendations contained in the report appeared yesterday in

the afternoon papers in some parts of Canada and is in most of the morning papers of today. I have a copy of one paper under my hand in which five or six columns are devoted to the final report of the commission. I am not complaining with respect to the attitude of the press; it is the business of the press to get all the information it can, but after what has been said in this house with respect to preserving the privileges of this parliament, not only on this side but by hon. gentlemen opposite as well, it certainly would appear that the giving out of what is published here is, on the part of someone, in the nature of an act of contempt alike of parliament and of the government. I think the government had better appoint a commission to inquire into what member of this commission, if any, or what person connected with it is responsible for giving this information to the press before either the government or parliament have received it.

I should like to suggest also that when the government are considering the legislation that is to be based upon the recommendations of this commission, with respect to unfair practices and unethical proceedings, it might consider whether it is not possible to enact some legislation which will prevent unfair practices and unethical proceedings on the part of chairmen of committees of this House of Commons when dealing with price spreads and mass-buying, and on the part of some member or members of royal commissions when they are dealing with the same subjects. This is a matter that should not be allowed to pass lightly; it is a matter that concerns the government and all hon. members of this house. I submit that parliamentary government can only be carried on if we observe the rules of parliament, and judicial and quasi-judicial bodies can only be upheld if judicial procedure is followed. The rules and practices both of parliament and judicial bodies have been violated by someone who has had a pretty intimate association with the committee and also with the commission. I hope the government will take up this matter seriously, in order to preserve the privileges of this house and the rights of all parties with respect to matters of this kind.

Hon. R. B. HANSON (Minister of Trade and Commerce): The report of the royal commission has not yet been received by the government.

Some MEMBERS: Oh, oh.

Mr. HANSON (York-Sunbury): That is an absolute fact.

Mr. MACKENZIE (Vancouver): That makes it worse.

Mr. HANSON (York-Sunbury): I am only dealing with one point at the moment. I am informed by the chairman of the commission that the report was signed this morning and is to be presented to me this afternoon. With respect to the matters to which the right hon. gentleman has alluded, I find myself more or less in agreement with him, but the government is in no sense responsible. We will give consideration to the statements he has made.

DISTURBANCE AT PROJECT NO. 42

On the orders of the day:

Hon. GROTE STIRLING (Minister of National Defence): Yesterday I was asked by the hon. member for Frontenac-Addington (Mr. Campbell) whether I had information as to a disturbance last week at project No. 42, and as to considerable amounts of goods being missing.

There has been no disturbance at project No. 42 since March 8, 1935, when four agitators endeavoured to cause dissatisfaction and discontent in the mess room. The complaints were fully investigated at the time and found to be unfounded, and the agitators were discharged. The particular complaint with regard to the food was in respect to the fish. This was inspected before and after cooking and found to be of good quality. The same diet was served in the other mess rooms and there were no complaints.

With regard to the hon. member's statement that goods were missing, he may be referring to a loss of gasoline which occurred on April 4, 1935. It appears that one Morey, on the strength of the project, gave away five gallons to the driver of a visiting car, and that he then left the project without permission and has not since been located. The Royal Canadian Mounted Police are investigating the matter.

FREIGHT RATES REVISION

On the orders of the day:

Mr. THOMAS REID (New Westminster): Mr. Speaker, I should like to ask a question of the acting Prime Minister. During one of the addresses of the Prime Minister some intimation was given that certain instructions would be issued to the board of railway commissioners instructing them to undertake a revision of the freight rates structure. Is it the intention of the government this year to issue such instructions, and if so will the present freight rates structure in the province

of British Columbia be included in any order for revision, particularly the rates on grain and grain products used in that province?

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): Mr. Speaker, probably this is a question which should be answered by the Minister of Railways and Canals (Mr. Manion). I suggest the hon. member place his question on the order paper.

UNEMPLOYMENT RELIEF CAMPS

On the orders of the day:

Mr. THOMAS REID (New Westminster): Mr. Speaker, I should like to ask a question of the Minister of National Defence (Mr. Stirling) regarding the investigation to take place by way of commission into the relief camps in the province of British Columbia. Is it the intention of the minister to lay that report upon the table soon after he receives it?

An hon. MEMBER: Wait and see.

Hon. GROTE STIRLING (Minister of National Defence): Mr. Speaker, I would imagine that in the ordinary course of events such report would be laid on the table of the house.

WAYS AND MEANS

OBJECTION TO PROLONGED ADJOURNMENT EXPRESSED IN AMENDMENT TO MOTION FOR COMMITTEE

The house resumed from Monday, April 8, consideration of the motion of Mr. Rhodes for committee of ways and means, and the amendment thereto of Mr. Lapointe.

Mr. OSCAR L. BOULANGER (Bellechasse): Mr. Speaker, I do not intend unnecessarily to prolong the observations I began last evening. May I state briefly that I oppose the long adjournment because I do not want the business of the country to be delayed. On this occasion I do not wish to be accused of delaying the business of the house by making a long speech.

Last night I was discussing one of the reasons given by the government in favour of a long adjournment, namely, the considerable time required for the preparation of legislation to implement the recommendations of the royal commission on price spreads and mass buying. I said last night, and now repeat, that if the government does not know the recommendations of the commission they are the only ones who have not that information, because for days, weeks, and months the newspapers throughout the country have published columns concerning those recommendations.

The report of the commission was signed at eleven o'clock this morning and should be presented to the Minister of Trade and Commerce to-day. Yet, last evening's newspapers and again the newspapers on the streets this morning contained columns about the recommendations of the commission, and quoted verbatim whole sections of the report. Therefore the government surely will not profess ignorance of at least a general idea of the report. Now the report has been signed and will be presented. The legislation suggested by the commission is expressed in great detail in the report, and full and complete indications are given of the type of legislation the commission desires. Therefore very little time should be necessary for the government to draft bills arising out of the recommendations. As the first member of the commission to speak, after the presentation of the report, it is only fitting that there should be a tribute of appreciation to the secretary of the commission, Mr. L. B. Pearson, of the Department of External Affairs, who was loaned to us. We cannot be too grateful for the assistance and help received from him. What I say about Mr. Pearson I would say, too, about his assistants, Mr. W. J. Cooper and Professor C. A. Curtis, and the other competent and expert economists who have assisted us throughout the investigation.

Only a few moments ago I listened to the observations of the right hon. leader of the opposition regarding the leakage of the report of the commission. It is not necessary for me to state that this unfortunate leakage has not been due to any action of any Liberal member of the commission.

Mr. DURANLEAU: How do you know?

Mr. BOULANGER: What I have said about Mr. Pearson and his assistants, and their help in preparing the report prompts me to bring to the attention of the house the advisability of having the Canadian universities represented in parliament. This matter has been discussed in the French press and more especially in that excellent Montreal paper l'Ordre. The universities are represented in the imperial parliament, the mother of parliaments, and I believe it would be advisable to have our universities represented in the Canadian house in order that we may have the advantage of the points of view, outlook and opinions of university men. I hope my suggestion will be studied by the government during the long adjournment,

because I have no doubt that despite our protestations the government will carry its point and that we will have a long adjournment. The opposition is merely stating its position; we are placing on record our points of view, knowing all the while that although the government has not a majority throughout the country they have a majority in this chamber and for that reason can carry their point.

Mr. DURANLEAU: You will be surprised at the next election.

Mr. BOULANGER: If I see the Minister of Marine after the next election I shall recall what he has said.

Mr. DURANLEAU: You will be very much surprised in the province of Quebec at least.

Mr. BOULANGER: I was saying last night that reasons of convenience should not be considered or advanced in support of the motion for the adjournment of the house. We know very well that the reason for a long adjournment is the convenience of the Conservative party. They are demoralized and disorganized. They are not ready to render their account to the people. They are not ready to face the electors, and therefore they want to drag this session on and delay the appeal to the people just as long as they possibly can.

Mr. DURANLEAU: What about your organization in Quebec?

Mr. BOULANGER: This government is waiting for something to turn up, for some calamity or catastrophe or some sensational event which will give them a reason for establishing a dictatorship in Canada and do away with the necessity of facing the electors. They did that in 1916, when they invoked the war as a reason for prolonging for one year the life of that parliament. I suppose they are expecting another war to break out in Europe to furnish them with a reason for not having an election this year. But if there is no war, we may be sure that they will delay till the last second of the last minute of the last hour of the last day before they dare render an account of their stewardship to the people.

If they want a reason for not going to the people, they might adopt the reason advanced by the hon. member for Compton (Mr. Gobeil) the other day. He advanced reasonable and eternal reasons for never having any more elections in Canada, reasonable as "le cochon raisonnable" and eternal as "la vache éternelle," of our old donation deeds of the province of Quebec. He argued that we could not have an election immediately because some young people have become of age since the lists were prepared and that it was only fit and proper that their names should be inscribed on the electoral lists during the revision which was started on the first of this month. Well, if that is a reason, it is a perpetual and eternal reason because young people will be coming of age every day in every year for years and centuries to come in Canada, and if that is to be adopted as a reason for delaying the election which the people are demanding, there is no reason for ever having an election in Canada.

During the last summer I frequented the homes of the farmers whom I have the honour to represent in this house. I have lived with them, I have talked with them, and during the fall I visited those nice Liberal parishes which the government has annexed to the county of Bellechasse.

Mr. COTNAM: They must have fed you pretty well.

Mr. BOULANGER: For which I am thankful.

Mr. BELL (Hamilton): Male or female?

Mr. GOTT: Are you afraid of the young electors?

Mr. BOULANGER: I am not as afraid of them as my good friend from Brome-Missisquoi (Mr. Pickel) should be. I think therefore, Mr. Speaker, I can safely speak in the name of the farmers of at least that section of the country which I represent. I know what they are saying; I know what they are thinking. They are saying this: For heaven's sake let us have the election immediately. They are demanding an election. They want to express their opinion of the way they have been governed for the last five years. They want a change. There is nothing they want so much as a change.

Mr. DURANLEAU: Not in the province of Quebec.

Mr. BOULANGER: In the province of Quebec more than anywhere else, and the Minister of Marine (Mr. Duranleau) will find that out to his sorrow.

Mr. DURANLEAU: It is a change in the Liberal party they want.

Mr. DUFF: What about the Shipping Act?

Mr. BOULANGER: The farmers are anxious to settle their accounts with this government, which has done nothing for them in the last five years in spite of the prolific

promises which the government made to the electors in 1930. Although the present Prime Minister of Canada said in the election of 1930, "Farmers of Canada, we will make tariffs fight for you," the tariffs have been used in the last five years, not to fight for the farmers, but to fight against them. Immediately after the election, at the special session of 1930, the tariffs were raised against the farmers and on account of that raise in the tariffs the farmers had to pay more for their farm implements, more for their cream separators, more for their gasoline motors and for many other articles which they have to buy. They had to pay more for everything they had to buy, and at the same time they received less for their butter and for all the products they had to sell.

But that was not sufficient. At the general session of 1932 the tariffs were raised again against the farmers. Then we had the imperial conference in 1932, and following that, occasion was taken again to raise the tariffs against the farmers and to restrict the markets and the outlets for the produce of the farm. Therefore I am not surprised, Mr. Speaker, that the farmers are anxious to meet this government and to settle accounts with them. The farmers of Canada want an election right now, even though some few young people may not have their names on the list.

It would not be such a bad thing for the farmers if there was not a revision of the lists at all. This revision is going to cost quite a pile of money, too much money. The printing of the lists themselves has cost a lot of money, and I understand that the printing and the revision of the lists is going to cost over a million dollars, an expense that is absolutely unnecessary. The old system was a good one, and there was no demand for a change. It was working to perfection, and there was no complaint against it. Under the old system the lists were made on the eve of an election by the electoral officer and the returning officers all over Canada, and it did not cost much money. One of the advantages of that system was that if an elector's name had been omitted from the list he could vote if qualified on being identified at the poll by someone who knew him. But under the present system a lot of unnecessary officials have been appointed and a lot of money has been spent unnecessarily, and there is the danger of names being misspelled or misinscribed on the list, and danger also of names being omitted altogether, and that has occurred in every county of the province of Quebec. Many names have been misspelled and wrongly inscribed on the lists. The farmers are tired of seeing their money spent unnecessarily and foolishly by this government. The public debt of Canada has been increased by some $700,000,000 or $800,000,000 during the five years of this administration, and the interest on the public debt takes more than half of the revenues of Canada. The people have been taxed almost beyond their capacity to pay taxation, and the farmers of Canada do not want to pay any further taxation. They want no more public money spent uselessly. They do not want to see the taxes increased, and these are the reasons why they want a change of government.

The prices of the goods which the farmer has to buy have been increased not only through manipulation of tariffs but by an increase in taxation also. The farmers must pay a sales tax of six per cent on everything they buy. There are very few of us who have to pay income tax, but those who do have found this tax increased. The duties on imported goods have been increased and to cap everything, the farmers have been saddled with an additional tax on sugar. This tax was cut in half last year but it has been continued this year by the Minister of Finance (Mr. Rhodes).

I know the minds of the farmers better than the minds of any other class, but I am quite sure that all classes in Canada are anxious for an immediate election. Knowing the sentiment of the people as I do, I know they are against a long adjournment. I am against a long adjournment because I do not want to see the business of the country delayed and I want the people to be given a chance of expressing their opinion on the maladministration of this government.

Hon. CHARLES STEWART (West Edmonton): Mr. Speaker, my first word will be one of regret at the illness of the Prime Minister (Mr. Bennett). As a friend of many years' standing I sincerely regret his serious illness and hope that he will soon be restored to health. I trust he will be in a position to lead the Conservative party during the next elections. It is unfortunate for the Conservative party that the Prime Minister has been forced to absent himself from the house because the members of this party have shown how impotent they are to deal with public questions. I say that in all sincerity.

Mr. BELL (Hamilton): We are all good.

Mr. STEWART (Edmonton): There is nothing personal in that. I think I should be given credit for always having the friendliest feelings towards the government. I have always wished them well ever since they

took office but unfortunately they will not live up to the standards and ethics of good government. They have delegated to themselves authority in every direction. This is being demonstrated to-day as it has been demonstrated in the past. One of the members of the Conservative party has taken upon himself the responsibility of publishing a report which belongs strictly to the House of Commons and no where else. When I say hon. members are impotent, I have good reasons for my statement.

Mr. BELL (Hamilton): There is no proof he did that.

Mr. STEWART (Edmonton): We were told by a responsible minister of the government that they knew nothing about it and were helpless to redress what is a clear insult to the House of Commons.

Mr. QUINN: All the members of the commission do not sit over here.

Mr. BELL (Hamilton): There is no proof any member did that.

Mr. STEWART (Edmonton): I wish I was as credulous as my hon. friend.

Mr. BELL (Hamilton): That is just newspaper talk.

Mr. SPEAKER: The hon. member should be permitted to finish his remarks without interruption.

Mr. STEWART (Edmonton): It does not disturb me in the slightest. I have a few things to say and I am going to say them whether or not I am interrupted. I do not intend to rehash ancient history but I think the government should be held responsible for some of the promises which have been made during the five years they have been in office. This government has made a most remarkable right about face. It told the electorate it believed in sound money and would blast its way into the markets of the world irrespective of obstacles.

Mr. DURANLEAU: Hear, hear.

Mr. STEWART (Edmonton): The hon. gentleman says, "Hear, hear." I suppose he will subscribe to a government which takes a right about face when it discovers its mistake in the light of events which have transpired in recent days. The policies of sound money and the blasting into the markets of the world have been relegated to be brought up again at some future date when another government of Tory calibre may be in office. We have had the leader of the government making a statement that he was amazed at the lack of opposition to the government program of social reform. Why should there be opposition when ninety per cent of this legislation has been a Liberal policy for years? Why should we oppose that which we have been advocating for a number of years? This government has had the autocratic habit of enforcing their will not only upon parliament but upon the people and upon the provincial governments. Despite all that has been said in this house by hon. members who are in the legal profession, I am still of the opinion that this legislation is ultra vires of the dominion parliament.

I have been permitted to be in public life for some considerable time and I have some respect for the constitution of this country. I have respect also for the rights and privileges of the provincial governments. We hesitated to put similar legislation into effect because we believed it would have to be done with the consent and cooperation of the provincial governments. When we are told that it is not necessary to do anything of the kind, I cannot believe it. If I wanted further proof of this statement I could find it in what the government say. They say that they do not intend to put this legislation into effect until an appeal has been made to the electorate. What better proof can we find of their fear as to their ability to enforce this legislation. The Prime Minister stated that he did not intend to put this legislation into effect until boards had been set up. I have been told by friends of the government in my own province that it was the intention of the government to appeal to the electorate some time before the middle of May.

Not only has this government misled the members of the House of Commons but it has misled the people of the country. We have not been told in so many words but I think we could assume that the legislation which they hoped would have such beneficial results politically has proved to be a dud and it has not been considered worth while to make an appeal to the electorate. Therefore, they must have six weeks in which to sit around and think up some new scheme which they hope will interest the electors.

Mr. BELL (Hamilton): Will the hon. member permit a question?

Mr. STEWART (Edmonton): Yes.

Mr. BELL (Hamilton): All I want to ask the hon. gentleman is—

Some hon. MEMBERS: Louder.

Mr. BELL (Hamilton): If the hon. member will be good enough to answer me—

Some hon. MEMBERS: Let us hear the question.

Mr. BELL (Hamilton): I am not trying to be controversial—

Some hon. MEMBERS: Louder.

Mr. BELL (Hamilton): Shut up, you fools.

Mr. SPEAKER: I must ask the hon. member to withdraw the remark he has made to the opposition members. He has used a word which is not parliamentary and I must ask him to withdraw it.

Some hon. MEMBERS: Withdraw.

Mr. BELL (Hamilton): Of course I have to withdraw it, no matter what they look like. I did want to ask the hon. gentleman a question in all sincerity and I thought he would answer it.

Some hon. MEMBERS: Go ahead.

Mr. BELL (Hamilton): All I want to know is the date on which the statement attributed to the Prime Minister was made.

Mr. STEWART (Edmonton): The statement with respect to legislation? I have not got it before me, but I have a clear recollection and I will get the statement and hand it to the hon. gentleman.

Mr. BELL (Hamilton): That is all I want to know.

Mr. STEWART (Edmonton): I think it is imperative that this session should be ended; I do not think it is at all necessary to have this delay. I do not think that even the illness of the Prime Minister warrants delay at this late stage in the life of this parliament. We have seen almost every promise made by this government broken, and we have seen the futility of the legislation they have brought down. That legislation has not in any single instance effected a cure or brought about any relief in the situation that now exists. Take the statement which has been made by my hon. friend from Bellechasse (Mr. Boulanger). We were told that by an increase in tariffs unemployment would be ended in Canada; the electors of the country were given that assurance. The Liberal opposition in the House of Commons have remained quiescent; they have given this government every chance in the world, they have subscribed to any particular legislation that seemed to be in the interests of the people, though the opposition have warned the government of course on all occasions that the legislation would be without effect. And has not our word been amply proven? What is the state of employment to-day? Has there been any relief to the unemployment situation in the last three or four years? For two or three years we have been hearing that business was on the upgrade, prosperity being just around the corner, but statements of that kind are no longer being made by members of the government. It has been conceded not only by business men but by economists that the root of all evil of the trouble lies in the fact that this government have placed barriers against trade and restricted trade on every occasion; hence the position in which we find ourselves to-day. Year after year we have had deficits and additional taxation, and year after year individuals engaged in the basic industries of the country, with the exception of gold mining and the production of nickel, have found themselves in the unfortunate position of being less able to pay their taxes than in previous years. What is the situation to-day? Unless there is a right about face in Canada we shall not be able to pay the taxes imposed on us. Worse than that, the effect of this legislation has spread to the provinces, for the provincial governments are facing difficulties right and left. Take the financial statement of any of the provinces; does it make pleasant reading? Have we a feeling that we are making progress, or do we not rather feel that we are going backward? Every one of the provinces has to announce deficit after deficit with an addition to its debt. Need I tell you, Mr. Speaker, that there can be only one end to this sort of thing? In a private business it does not matter who finds himself in this unfortunate position, he must sooner or later succumb and have the sheriff take control.

The government of the day have made much of the fact that they have preserved the credit of Canada and have been able to pay their way. Well, they have been able to pay their way by further borrowing; that is the only way. Then they take much credit for the fact that they have had favourable balances of trade. How are favourable balances of trade secured? When they took office the trade of the country was nearly two and a quarter billions, and what is it to-day? It has gradually decreased until it averages a little over one billion, and by the reduction in trade, by restriction of imports into the country and partly by the empire agreements, regarding which I shall have a word or two to say, they have been able to show a favourable balance of trade. But they have done so at the expense of the people of Canada; there is a heavier burden of taxation on the people's shoulders, added to every session of parliament, and that condition would continue were hon. gentlemen permitted to hold another session.

My hon. friends do not seem to realize that there must be, as I say, a right about face in the policy of the government before the people can secure any relief. That does not seem to occur to them. No; we have nothing but procrastination in dealing with these matters. My hon. friends have imbibed the spirit of nationalism from other countries despite the fact other countries are in as difficult a situation. They follow these other countries; there is no originality about their proposals for relief. All we are told is that their social legislation will meet the difficulties of the situation. Will anyone tell me how unemployment insurance will benefit the situation? I have not yet discovered anyone who wants it as we have it under the present act. How will the shortening of hours of labour and the minimum wage improve matters? An amusing thing gleaned from the report this afternoon, which one reporter seems to have got hold of in some way, is the statement that they are not recommending a forty-eight hour week but one of forty-four hours. Again, the government of the day find themselves in the unfortunate position of having to make changes in that respect. I suppose this is the reason: They want to have some relief, some time to get their second wind, to see whether they cannot think up some new idea that will catch the popular fancy.

I was greatly amused yesterday listening to the Minister of Justice (Mr. Guthrie) when he made a statement as to when the election would be. He said dispassionately to this house that they would have an election when they thought they could win. If we have to wait until this government think they can win, we may as well all go home and go to work and wait another five years.

Mr. GOTT: There is not a safe Liberal seat from the head of the lakes to the coast.

Mr. STEWART (Edmonton): We should have had an election last year. I believe that if the government had had the courage to face the electors last year they would have had a much better chance than they have to-day. They got some false courage after the Prime Minister's broadcasts, and for a time they were greatly encouraged. I was told by one who is in the councils of the mighty that at last they had struck something that tickled the popular fancy. But the real reason for their change of heart was the fact that one of their number became a malcontent, he was not satisfied to pursue the tenor of their way and went out on his own. I refer to the Hon. Mr. Stevens. He broadcast his ideas throughout the country and scared the life out of the government, and they succumbed to fear.

Mr. BELL (Hamilton): He is not a malcontent; he is an honest man.

Mr. STEWART (Edmonton): Hon. gentlemen opposite had a change of heart largely as a result of his propaganda.

Mr. McINTOSH: A change of heart over night.

Mr. STEWART (Edmonton): They would change in a minute if they thought it would catch a vote. It is a question of staying in power at any cost, on any program. Look at our friends in the corner, they have done nothing but smile, largely in derision, since they came to this session, at the spectacle of hon. gentlemen across the floor who in large measure have stolen their clothes. They go to sleep once in a while and wake up and discover that some of their most attractive garments are gone. Not up-to-date forsooth; and indeed they have troubles of their own. In our province we have a new cult, that of Social Credit as enunciated by Mr. Douglas, and now improved upon materially by one named Eberhart. So my friends in the corner are doing their best to stem the tide, and between what Eberhart is doing and what this government has done to them they are in a somewhat difficult situation. They are watching their clothing; even their underwear is in danger, there is nothing safe to be left loose around while this government is in power, if they thought it would tickle popular fancy.

Now, Mr. Speaker, I do not know what sort of program we shall be presented with after May 20, after the government have cogitated for another six weeks. I do not know whether that program will be heralded by a broadcast. I fancy it will not for I think the earlier broadcasts are recognized as having been a huge mistake; they were prematurely exploded before they reached the objective, and of course as with all duds the reaction was disastrous for the Tory party. They will probably have something which they hope will catch the popular fancy of people in the towns and cities as a result of this price spreads investigation.

Mr. BELL (Hamilton): Don't sneer at Mr. Stevens, he is an honest man and everyone knows it.

Mr. STEWART (Edmonton): I am not sneering, I consider Mr. Stevens a very shrewd politician. I did not know however that my

hon. friend had espoused his cause. I do know that there is considerable dissension about the leadership. My hon. friend knows something about the various aspirants for leadership; if I have time I shall have a word or two to say about that. But there are not many men in Mr. Stevens' class and I have not a single word to say against him.

Mr. MALONEY: What about Mr. King's proposed broadcast?

Mr. STEWART (Edmonton): I will let the hon. member into a secret if he will have patience. He heard my remark that even the underwear of hon. members down in the corner is not safe, everything that seems to have any appeal is grabbed. It struck me while sitting here listening patiently to hon. gentlemen opposite defending their budget that they would mighty well like to get some inspiration as to a policy that would have some appeal and that might help to save their deposits at the next election.

Mr. BELL (Hamilton): What is your policy, if you have any?

Mr. STEWART (Edmonton): We shall tell you when the proper time comes. In the words of your leader when he was in opposition, "When we are called in we will prescribe." There is another reason why they want to delay the election. It has been seen in every by-election—and there are still some that should be held—with the single exception of that of the hon. member for East Toronto (Mr. Church); everywhere it has been hopeless defeat for the government. The waters do not look good at all, they look exceedingly chilly, and as the hon. member for Bellechasse (Mr. Boulanger) said, they evidently are going to delay until the last minute and hang on to power as long as they can. The result will be that in common with every other government that has ever tried a similar experiment they will get the results they so richly deserve.

Mr. BELL (Hamilton): Why complain about it?

Mr. STEWART (Edmonton): Hanging on to office will not help them, but will rather create an adverse sentiment. As far as we are concerned whether the election is in May, June, July, September or October, the results are inevitable.

Mr. BELL (Hamilton): But what is your policy?

Mr. STEWART (Edmonton): I told my hon. friend that he will hear our policy at the proper time. And may I say to him and his colleagues that their business is to convince the electors that they have one. We will attend to ours. So far any policy that my friends or any one of them have suggested has had no popular appeal whatever. I had hoped that at this session the budget would bring what a good many of us were informed was coming—true we are not supposed to be in the councils of the mighty—a reduction in the tariff on secondary commodities, which bears so heavily on the people on the land in particular through the cost of living. The tariffs on textiles put into effect by this government are a disgrace. They are not required for the protection of the textile industry, they never were. Moreover the promise was made that they would encourage the consumption of Canadian wool in the manufacture of woollen goods. But what do we discover? Over eighty per cent of woollen textiles made in Canada are made from Australian wool, and our own wool is at a lower price than it has been for a considerable time.

Then we were told that the empire trade agreements were going to cure the wheat situation, yet just lately we have it reported that there are 240,000,000 bushels in store. I am one who believes that the unprecedented low price of wheat, for which this government are not responsible, for which they or any other government could not be responsible, warranted assistance being granted to the wheat producers of western Canada. I say that for more than one reason; I say it for the reason that if you are going to grant to secondary industries the kind of protection that has been given by this government, then in all fairness something should be done for the primary industries. The government were warranted in granting the bonus of five cents a bushel, they were warranted in putting Mr. McFarland in control and purchasing wheat and keeping the price up, but they never were warranted in holding that wheat as an overhang on the markets of the world. Why did they not sell it? Why did they allow our competitors to take the British and other markets away from us? Why did they penalize the millers to the extent to which they were bonusing wheat daily, and I say quite properly so? Why did they do that sort of thing? I say the stupidity of that action is going to cost the primary producers of Canada unending trouble, grief, worry and money before this matter is cleared up. I notice that Mr. McFarland states that he hopes to sell this wheat, and how does he hope to sell it? He hopes to sell it as a result

of the difficulties in the United States, and the fact that there is practically a famine in that country.

Mr. LOUCKS: May I ask the hon. member a question?

Mr. STEWART (Edmonton): No, I will answer questions when I am through. I repeat that I have no quarrel with the action of the government in bonusing the purchase of wheat; my quarrel is with the unbusiness-like methods they pursued in dealing with that problem. What has been the result of the enhanced price to the millers? As a result we have lost our market for flour in Great Britain. I have heard hon. gentlemen stand up in this house and state that our exports were much the same as in former days. Will you, Mr. Speaker, or will any hon. gentleman tell me what would have happened if in Canada we had had normal crops of 400,000,000, 450,000,000 or 500,000,000 bushels, and this same policy had been pursued? What position would we have been in to-day? The problem that must be solved by the government, no matter what government it may be, is how to regain the foreign markets for wheat and flour that we have lost through the actions of this government. It is not so easy to regain them, and here we have this overhang of 240,000,000 bushels that we have been told repeatedly, month after month and year after year was going to be cleaned out of the country. Then what about our cattle? The Minister of Agriculture (Mr. Weir) is not in his seat; as a matter of fact we have a very sparse attendance this afternoon, and from the evidence I see upstairs I presume they are busy on the election now. I see not hundreds of pounds but tons of literature going out from this building. I have no quarrel at all with that—

Mr. COTNAM: Are you sending out any?

Mr. STEWART (Edmonton): Certainly we are, but in armfuls rather than bagfuls. We have not the facilities or the funds of my hon. friends.

Mr. BELL (Hamilton): What about Beauharnois?

Mr. STEWART (Edmonton): I am not quarrelling with that; it was done in 1930, but I do say that instead of sleeping as many of them did while the budget speech was being delivered, and instead of paying so much attention to the sending out of literature which they hope will convince the electors that they should be returned to power, they should be devoting themselves to the real problems of the country. If their literature is anything like the material I have seen, the more they send out the better for us. More power to them; send out lots of it, because it will not convince anybody. But may I say, Mr. Speaker, that with our cattle practically shut out of the British market and with the uncertainty of that market the cattle industry of Canada is practically demoralized. Had it not been for the fact that drought in the United States opened up a market for our western cattle, at reasonable prices, stark, utter ruin would have stared us in the face.

And then hon. gentlemen opposite talk about a reciprocal agreement with the United States. Of all the jokes that have been perpetrated upon the House of Commons the greatest is to hear the Tories talk about a reciprocal deal with the United States. Upon my word, you would think we were born only the day before yesterday, that we had not lived in 1911 and listened to those voluble gentlemen, headed by their own Prime Minister, travel from one end of Canada to the other denouncing in no uncertain terms the proposed treaty, fearful that American dollars would destroy Canadian sentiment. Now we have the same gentlemen telling us that this is one way we can save Canada, and that Canada will be saved because the Tory party are going to negotiate this treaty. I am quite certain the electors of this country will be told that fairy tale, that bedtime story, during the coming campaign; I am sure that will be one of the appeals of the Tories, particularly in western Canada, that they are going to bring about reciprocity with the United States. That will hang in the air like a pillar of fire to lead those people who still have some faith in Tory promises to vote and work for the Tory party. But let me say to you, Mr. Speaker, that I am one of those who believe that so long as the Tory party are in office in this country we never will have a reciprocal deal with the United States. They do not mean what they say.

Mr. BELL (Hamilton): Why?

Mr. STEWART (Edmonton): My hon. friend asks me why. In the same breath they say they will not allow any of our secondary industries in Canada to be interfered with even by our best customer, the United Kingdom. Are they going to negotiate a reciprocity agreement with the United States, the country they have denounced as a menace to Canada, after the embargoes they have placed against the goods of that country and after they have used every conceivable method to shut out those goods? What was the cry when we were in office? They said, "Keep out American

carrots and cabbage." We were told that we were ruining our vegetable growers by permitting carrots and cabbage to enter the country. Go to our stores to-day, and what do you see? Long before we have a carrot in Canada we are buying fresh vegetables; they come from the United States, and they will continue to come from that country until they are produced here, when they will be shut out for perhaps a month or two. Oh, what a wonderful party; what a spectacle! That is a mild word to apply to the situation that exists in Canada to-day with respect to the operations of this government.

Why do we not have an election? If hon. gentlemen opposite are as sure of themselves as they pretend to be; if they were so sure when we came to this session of parliament early in January, why do we not have an election? Why do they not submit themselves to the final court, the country, and find out exactly what the electors think about them, their policies and their administration? As I said a few moments ago I had expected a reduction in the duties on farm implements and textiles in order to make conditions a little easier for the farming industry of this country, but nothing happened. There was no mention whatever of any action of the kind. No doubt the government are hoping that through distress and difficulty in other countries some market may open up that will absorb the surplus products of this country, while day by day in my own city and province people are forced to abandon the homes which they have spent a lifetime to build up in the hope that they might have a competence for their old age. The only answer they receive from this government is that they can go on the old age pension, go into an unemployment camp or receive relief through the agency of the municipal authorities. Year by year we are told something is going to be done; why is it not done now? Not long ago we had the mayors of the various cities here, asking that the federal government take over the complete responsibility in connection with the payment of the dole. They received no answer. We have the provincial governments wanting to know what they can expect from the federal government, but they get no answer. The government are impotent, hoping like Micawber that something will turn up to-morrow that will relieve the situation. They have not done a single thing, nor do they seem to have a single idea as to what they should do to meet the actual situation that exists in Canada to-day. That is the happy situation.

Mr. SPENCE: What answer would you give them?

[Mr. C. A. Stewart.]

Mr. STEWART (Edmonton): They will get their answer, in due time, let me say to my hon. friend.

Mr. SPENCE: Tell us now.

Mr. STEWART (Edmonton): The hon. member who has just interrupted, along with other hon. members campaigned in 1930 against the then government. They said they would work through the agency of the provinces, and stated further that unemployment was a national problem, leading the people of Canada to believe that they intended to take the whole responsibility for it.

Mr. SPENCE: No, no.

Mr. STEWART (Edmonton): Yes, exactly. They were not in power fifteen minutes before they discovered they did not have the authority to administer relief. That is the way they fooled the people of Canada; that is the way they would attempt to fool them again. Fortunately however the people are becoming wise in these matters. The Liberal party would do exactly as it agreed to do in 1930, namely, work in cooperation with the provinces, so far as relief is concerned. We would set up a commission for the purpose of controlling and issuing relief, and for the care of the unemployed. I would not be surprised, if sufficient time elapses, to find that hon. members opposite have thought even of that; probably they will recommend a council for that purpose.

The advisory council which is to meet once in six months is a capital idea. The Prime Minister is to be the chairman and no doubt their efforts will be tremendously helpful in curing the present situation in Canada; I expect wonderful results. The trouble is however that hon. members opposite will never have a chance to let the council function. It will be like the rest of their promises to the people of Canada, promises they made so glibly on every occasion and failed to carry out. That is the situation as I see it.

Should it be necessary to wait for the recovery of the Prime Minister before holding an election? Why, there are any number of gentlemen in the government who, whether they are capable or not, at least think they are capable of carrying on. Certainly the Minister of Marine (Mr. Duranleau) could carry on if he were supported by the hon. member for Compton (Mr. Gobeil). They would make an excellent pair to carry on the affairs of this country. Then, I wonder why the Minister of Agriculture (Mr. Weir) could not carry on if he had the support of the hon. member for South Essex (Mr. Gott). What an excellent combination they would

make. Then, as they have been making love to our friends in the corner, can we not conceive what an excellent government we would have by joining the Minister of—

Mr. GOTT: I knew you would get all mixed up before you got through.

Mr. STEWART (Edmonton): —the Minister of Justice (Mr. Guthrie) and the hon. member for Southeast Grey (Miss Macphail). I have no doubt the minister could easily persuade the hon. member to become superintendent of penitentiaries,—and what excellent results would be obtained. Then, my good friend, my revered friend, the Secretary of State (Mr. Cahan)—would not he and Mr. Stevens, the ex-Minister of Trade and Commerce, make an excellent pair to work together? Certainly the hon. member for West Hamilton (Mr. Bell) would support a government of that kind.

Mr. C. W. BELL (West Hamilton): Mr. Speaker, I do not intend to attempt to follow anything said by the hon. member who has just taken his seat. I do feel—perhaps very wrongly—that at this present day and date the parliament of Canada must be more concerned in trying to do something to remedy conditions existing than simply scoring off opponents. I do feel the hon. member for West Edmonton (Mr. Stewart) whom I have known for a great many years, whom I have admired and respected during all that time and whom to-day I admire and respect, regardless of any badinage across the floor of the house, is very anxious and earnest in his desire to seek a solution of the problems confronting this parliament and the country. It was for that reason and for that one only that I asked the hon. member what he had in mind, in regard to statements made by my right hon. leader, and I had no intention of throwing any disparagement on the hon. member, but asked my question in the hope something might come out which would assist the House of Commons to get a little farther towards a solution of the important problems facing us.

An hon. MEMBER: Carried.

Mr. BELL (Hamilton): Now, of course, if that is funny I am quite willing to have hon. members enjoy themselves. I am quite willing to have them laugh their heads off—and I don't know that much would be lost if they did. I am willing to sit down. I was just trying to lend my small assistance and to give what might be some help to the people of Canada. That I have desired to do from the time I entered parliament; that I have desired to do on the few occasions I have risen to address this chamber. That I still desire to do.

An hon. MEMBER: Carried.

Mr. BELL (Hamilton): And so long as my hon. friends who sit across the floor of the house think there is nothing better to do than to sneer at and to deride an honest effort, then I sit down.

Some hon. MEMBERS: Question.

Mr. G. W. McPHEE (Yorkton): Mr. Speaker, I wish to add my humble word of protest—

Mr. SPENCE: Wonderful, wonderful!

Mr. McPHEE: —to this proposed adjournment. What a spectacle this government presents to the opposition and to the country.

Mr. COTNAM: Don't worry about it.

Mr. McPHEE: The government that was elected on the political effervescence of 1930 having received a blow on the solar plexus now wants an adjournment of six weeks to get its second wind. What a contrast, Mr. Speaker, politically speaking, between the knock-kneed, rickety, bandy-legged government of to-day—

Mr. SPENCE: Talking about yourself?

Mr. McPHEE: —and the blatant, bellicose, braggadocio of the speeches over the radio during the first week of January last. I believe there was a real flutter in the dovecots of the Tory party after listening to those bedtime stories.

Mr. COTNAM: There was a bigger one in the Grit party.

Mr. McPHEE: Many a Tory said, "Never man spake like this man."

Mr. COTNAM: That is what you thought, too.

Mr. McPHEE: What were some of the statements he made? Probably I would do well to read two or three lines:

As a lawyer I had to do, for more than thirty years, with big business and finance. I have some knowledge of finance.

Mr. SPENCE: That is more than you can say.

Mr. McPHEE: And more than my hon. friend can say.

Mr. SPENCE: Hot air for yours.

Mr. McPHEE: No doubt my hon. friend is referring to himself. However if he wishes to heckle, may I tell him that I enjoy it, and I will hit him back just as hard.

Mr. SPENCE: Because you don't know any better.

Mr. McPHEE: I have been in this house for ten years and outside of an interruption of that kind I have never yet heard the hon. member for Parkdale (Mr. Spence) make any other statements. Then the Prime Minister continued:

> When in the past I praised it (the capitalist system) I did so with knowledge. When now I analyze it and point to its defects, I do so also with knowledge. Bear that in mind.
> Knowledge comes but wisdom lingers.

Then I read one other line from another fireside story of the Prime Minister's, the third in the series:

> The point is, that at a time when your government was fighting for the life of this country, we were handicapped and embarrassed and opposed by a party which seemed to think far more of getting back into office than they did of you.

Some hon. MEMBERS: Hear, hear.

Mr. McPHEE: I am glad my hon. friends say "hear, hear," because when I heard that statement with respect to the capitalist system and the reforms proposed by the Tory party—since when in Heaven's name did the Tory party ever become the party of reform?—my mind went back to the little city of Guelph where I remember the Prime Minister made a speech in 1930 criticizing my right hon. leader for the countervailing duties in the Dunning budget. It would appear that tariffs and duties are the special prerogative of the Tory party in this country, Mr. Speaker. Well, the Prime Minister speaking at Guelph on that occasion of the countervailing duties said with reference to the right hon. leader of the Liberal party, "Whenever you have any convert doing something that he is not brought up to, he will always make a bad mess of it." I do not know whether that had any special significance being delivered in the city of Guelph, the seat of the Minister of Justice (Mr. Guthrie). It might equally well have been delivered in the city of Fort William, the seat of the Minister of Railways (Mr. Manion), or at one or two other places that are graced by being represented by our Tory friends across the way. Now what about these reforms? How much has this present opposition blocked the present government in its reforms? Reform of the capitalist system! I go back to 1931. One of the first resolutions brought down in this house by the present Prime Minister was to amend the income tax. This was no doubt a reform of the capitalist system. A resolution was brought down in this house on June 1, 1931, whereby the maximum income tax would be imposed on incomes of $25,000, and incomes over $25,000 would bear the same maximum tax of twenty-five per cent. But thanks to the Liberal opposition which blocked this reform the legislation stands now as it stood previously under the Liberal government. A man who had an income of half a million dollars, and we are told that there are two or three gentlemen in this country who have incomes of that size, under the Liberal income tax legislation that existed prior to 1931, and which exists to-day thanks to the Liberal opposition, paid $245,000 in income tax, but under the proposed reform of the right hon. the Prime Minister that man would have paid $125,000 only in income tax. That meant a saving to the man with an income of half a million dollars of $120,000, only $10,000 a month—not much when you say it quickly. But the leader of the government took offence because we criticized that particular reform of the capitalist system which he proposed, and then withdrew his resolution.

Mr. STITT (Selkirk): Would the hon. gentleman permit a question? Would he mind telling the house and country how much income tax that man is actually paying to-day under the law, not under proposals that were never carried into law?

Mr. McPHEE: He is paying simply what he paid when the Liberal government was in office, with one or two modifications.

Some hon. MEMBERS: No, no.

Mr. McPHEE: Let me draw a picture—

Mr. RHODES: Give us the facts.

Mr. McPHEE: If my hon. friend's leader had had his way in 1931 that man would not have paid the income tax he is paying to-day nor what he paid previous to 1931.

Mr. RHODES: He pays twice as much to-day.

Mr. McPHEE: Let me draw a picture for the people of Canada in connection with this particular reform. I can imagine, Mr. Speaker, the power barons, the corduroy plutocrats, and the tinplate aristocrats coming around the council table when this proposed income tax reform in 1931 was being hatched. I can imagine these men on their knees praying that this great burden of income taxation should be removed from their already over-burdened

shoulders. And who were the gods to whom they prayed? The millionaire Prime Minister of Canada, and sitting at his right he that sitteth at the receipt of custom, the former Minister of National Revenue, and the then Minister of Pensions and National Health, now occupying the gubernatorial chair in the province of New Brunswick, and across the council table from him the right hon. gentleman who now leads this house (Sir George Perley).

But there were other knights around that table, silent knights, and one of those silent knights represents the province of Saskatchewan as the Minister of Agriculture (Mr. Weir), and another silent knight represents the province of Manitoba as Minister of the Interior (Mr. Murphy). How stoically these silent knights looked on at these other knights praying that this burden of income taxation should be removed from their overburdened shoulders, and if the silence of these silent knights in this House of Commons is any indication of their silence around that council table they might as well have been in a deaf and dumb institution where people talk with their fingers. Imagine, Mr. Speaker, if you can so far stretch your imagination, the venerable gentleman, the former Minister of Agriculture, my hon. friend from Melville (Mr. Motherwell) and the former Minister of the Interior, my hon. friend from West Edmonton (Mr. Stewart), sitting around that council chamber in silence while this iniquitous reform was about to be perpetrated upon the Canadian people. So much for reform No. 1.

Then I come to the next reform, the imperial conference agreement. We had heard in 1930 that all that was necessary in Canada was a dose of super-tariff taxation, that the panacea for all our ills was to be the tariff. My right hon. friend the leader of the government was to blast his way into the markets of the world. We had a special session of parliament at which the tariff was increased, doubled and trebled. Then the Prime Minister went to London to tell the good old free trade people of Great Britain what they should do; that what they should do was to impose a ten per cent duty upon imports in order to give Canada a preference in their market. That offer was rejected, and the Prime Minister came back to Canada. He addressed a meeting in Saskatchewan, in the armouries in the city of Regina, and I heard him over the radio. My hon. friend from West Edmonton has referred to reciprocity. The right hon. leader of the government said that it was treason in 1911 to trade with our American cousins. Canada will become the back door of Chicago—that was one of the slogans that he used all across this country. We would become the back door of the United States if we traded on equal terms with our cousins to the south. Then again in 1930 it was treason to trade with Great Britain under the Dunning budget. As I said, the leader of the government came back from London in the fall of 1930 somewhat crestfallen because the British people did not fall for his high tariff ideas so far as Britain was concerned. He called a meeting in Regina and I heard his speech over the radio. I had some friends in to listen to him, and what did we hear him telling the people of western Canada? We all know what he said during the elections of 1930. "Listen, you agriculturists from the west and all the other parts of Canada you who have been taught to mock at tariffs and applaud free trade. Tell me when did free trade fight for you. You say tariffs are only for the manufacturers. I will make them fight for you as well. I will use them to blast a way into the markets that have been closed to you." He came back in 1930 and at this meeting in Regina he said: My fellow Canadians who are now within sound of my voice, just at this minute Mr. Marler, the Canadian ambassador to Japan, is on his way to China to negotiate a treaty with that great nation for the sale of your Canadian wheat. China has always been a favourite of our Tory friends. It will be remembered that in 1912, having defeated reciprocity in 1911 because it was treason to trade with the Americans, Sir George Foster, then Minister of Trade and Commerce, went to China with a retinue from his department to negotiate a treaty with that country. In 1930 China seems to be the Mecca of the Tory party. The tragedy of it all is this, Mr. Speaker. We were taught in our early school days that the Chinese were a nation that lived on rice and rats, but it would seem that the Tory party under the leadership of Sir Robert Borden and under the leadership of the Prime Minister would have the Chinese go back on their traditions and give up their rat traps and their chop sticks and buy Canadian wheat, Canadian ovens and Canadian flour. How much wheat did we sell to China?

Mr. ROWE: Remarks like that will not help to sell it.

Mr. McPHEE: It will sell just as much as the attempts of Mr. Marler, whose appointment my right hon. friend the leader of the government opposed. How much did we sell?

Then we had the second imperial conference in 1932. What were the results of this conference? A duty of ten per cent was

placed on barbed wire, a commodity which had come in free since 1897. A duty of twenty-five per cent was placed upon cream separators which had been permitted to come in free since 1897. That is the way my hon. friend who is a farmer would help the dairymen of this country. During the early days of this session we were told by the Prime Minister that we would have an opportunity before this session ended of once more expressing our approval or disapproval of the imperial economic conference agreements. What happened to that resolution? The other day the Minister of Immigration (Mr. Gordon) referred to some legislation introduced by my right hon. leader (Mr. Mackenzie King) as having been placed in cold storage. Anything placed in cold storage would have some chance of ressurection but this resolution to permit approval or disapproval of the imperial economic conference agreements has gone into the morgue as far as the rules and regulations of this house are concerned. It will never be resurrected.

Mr. ROWE: How would you vote on it if it was?

Mr. McPHEE: Against it. I would do the same as the electors of South Oxford did last spring and as the electors in other parts of Ontario did later on in the year.

Mr. ROWE: Are you speaking for your party?

Mr. COTNAM: How much money was spent in those constituencies?

Mr. McPHEE: We were told by the hon. member for Regina (Mr. Turnbull), a colleague of my hon. friend, that the leader of the government (Mr. Bennett) spent $750,000 of his own money in 1930. I assume my hon. friend knows how much was spent in South Oxford.

Mr. COTNAM: It was not Beauharnois money.

Mr. McPHEE: That seems to hurt. We can go on to something else.

The next item of reform was technical education. This bill was passed with the unanimous approval of this house but it has been placed in cold storage; it has not yet been declared law by order in council. We come next to the investigation into price spreads which I suppose will be considered as a reform. The former Minister of Trade and Commerce (Mr. Stevens) is the only hon. member on the other side of the house who can be classed at all as a reformer. Yet he had his head chopped off by the man who announced himself during the first week in January as the Messiah of reform. I should like to place on Hansard a paragraph of the letter written by the former Minister of Trade and Commerce (Mr. Stevens) to the Prime Minister after he was decapitated. It reads:

> Your letter dated October 26 accepting my resignation, was delivered to me at my home by your special messenger at 4.30 Saturday afternoon, October 27.

Apparently the mails were not considered swift enough and this letter had to be delivered by special messenger. It continues:

> In your letter you seek to establish that in my work as chairman of the "price spreads and mass buying committee" I had enjoyed the full support of my colleagues of the government. This, sir, you know is not true.
>
> From the moment of the organization of the committee, following my speech in Toronto of January 15 last, almost daily throughout the long period of the last session I was subjected to irritating criticisms. One day it would be regarding my manner as chairman, the next the treatment of witnesses, particularly that of Stanley McLean of Canada Packers and the heads of the Imperial Tobacco.

It would be interesting to place side by side with this letter the evidence in connection with the Imperial Tobacco Company. The letter continues:

> Then the question of cost was constantly thrown in my face, and through it all from one of your senior members ran the constant refrain on a minor key, "what can you do about it anyway."
>
> The fact that I refused to be influenced by these mischievous interferences is now advanced by you as evidence that I have had an "absolutely free hand." In the interests of simple truth I must protest your claim in that respect, for, on the contrary, there has been constant criticism emanating almost exclusively from a small minority of the cabinet who, together with yourself, now seize on the "pamphlet" as a culminating excuse for an unwarranted attack on me as chairman of the commission and as a minister of the crown.

It was only six months ago that the only supposed crusader for reform in the cabinet was being criticized by the right hon. gentleman who had announced himself during the first week in January, 1935, as the Messiah of reform.

We come now to the marketing bill. I suppose this will be considered a reform which we have blocked for the past five years. This is a Mussolini, sovietized bill. In this connection it is interesting to note that the poultry pool under the provisions of this bill has been defeated in the three western provinces. If the rest of Canada has the same idea in connection with this legislation I know hon. friends opposite will regret that this has been part of their reform policy.

The next thing which I presume we shall be accused of obstructing is the budget—a budget that maintains a tax of one cent per pound on sugar and reduces the duty on alcoholic liquors by $3 a gallon. I presume this is the government's idea of a poor man's budget. It is a budget that supports the nation as the hangman's rope supports the hanged. Now here we are asked to approve of an adjournment for six weeks to enable this moribund government to get its second wind and to come back with more proposed reform legislation—a government which, according to its own Minister of Finance, admitted in the budget speech that it had gone into debt to the extent of $669,900,000 in its five years in office. In other words, hon. gentlemen have gone into debt $669,900,000 in 1,680 days, the number of days they have been in office—$400,000 a day. Just imagine what the adjournment would cost this country; $16,660 an hour, or $2,750 a minute, or $50 a second is the rate at which this government has gone into debt in 1,680 days in office, and we are asked to grant this adjournment. Multiply the 42 days of the adjournment by $400,000 per day and you will find this country going into debt to the extent of $16,800,000 during the time of this adjournment, the time gentlemen across the way want to get their second wind. They have received a blow on the solar plexus and cannot carry on unless they get their breath again.

I oppose the adjournment on grounds of policy.

Some hon. MEMBERS: Oh, oh.

Mr. McPHEE: If my hon. friends will keep quiet over there I will give them the antithesis in this matter of debt. According to the Minister of Finance the net debt of Canada has increased to the extent of $669,900,000 in the five years from 1930 when they took office to March 31, 1935. Contrast that with the five years preceding 1930. During those five years the public debt of Canada was retired out of surplus revenue to the extent of $257,806,000. There is the contrast between the two.

An hon. MEMBER: Give us the whole story.

Mr. McPHEE: Some day I will, but I have not the time now, and the hon. gentleman in his present mind has not the intelligence to grasp it if I did. The people of this country want an election. All over the country, from the Atlantic to the Pacific, on the political horizon is inscribed in letters that can be read from afar: Mene mene tekel upharsin: You have been weighed in the balance and found wanting.

The people of this country are anxious to take advantage of the privilege handed down to them by Liberals who have gone before and to place the sacred symbol of the cross on the sacred parchment, the ballot; and when they do, hon. gentlemen across the way will go out of office, so that in the next parliament there will not be a shadow of the present government in this house.

Mr. J. A. BRADETTE (North Timiskaming): I certainly agree with the present amendment for the good reason that not only has the government a great deal of legislation still to put through but the fact that what it has already accomplished will not meet the situation that exists in the country to-day. I think I am perfectly in order in directing the attention of the house to certain conditions which must be faced, more particularly in northern Ontario.

I wish to discuss two very important subjects this afternoon, the first being the radio situation in our section of the country and secondly the work on the trans-Canada highway. May I observe in passing, Mr. Deputy Speaker (Mr. Morand), that all sections of the country greatly appreciated the work which you did as chairman of the radio committee. I was allowed to state before that important committee the case for our section of the country and I am glad to say that I was given a very good reception. I am bound to add, however, that we were greatly disappointed in the result that has been obtained after four years of experience with the radio commission. I am not criticizing any individual members of the commission, but I am pointing out that no steps have been taken to ensure the reception which we think we are entitled to. It is true that in the last two years local stations have been erected at North Bay, Kirkland Lake and the town of Timmins, and with these stations we have no quarrel. They have performed a useful function and done a great deal of good in their own localities, but surely they do not serve the purposes of the other sections of that country. We have not been given the service we are entitled to get, not only in northern Ontario but also in northern Quebec. On that ground alone, I contend that we should have a very brief adjournment, and in the meantime every section of the country, through its federal representatives, should be given an opportunity to state its grievance in this regard. We were very hopeful a few weeks ago when we learned, through certain newspaper reports, that a high powered station

would be erected in the northern part of the country, but an answer given a member of this parliament by the Minister of Marine shattered that hope. So far as reception is concerned, I think the solution must be found in our own section of the country. In the newer sections of Canada the people are all in favour of the nationalization of the radio, for a good and practical reason; they get better service than they formerly had. The population is more or less lukewarm as far as that is concerned, but the pioneer population of the whole of northern Canada was absolutely in favour of nationalization of radio, though I must say that they have been sadly disillusioned. We have no quarrel with radio programs from the United States to a reasonable extent, but we maintain that we must also have a national radio program. One must also be seized of the enormous extent of the area for which that service is required. It covers the whole of northern Ontario, the whole of the basin of James bay and part of Hudson bay, and northern Quebec and part of northern Manitoba. I am speaking for every section of that great expanse of territory with its rapidly growing population in saying that they have not the radio reception that they deserve. In my own riding it is not satisfactory, and the population in that section is increasing rapidly from day to day. In the Porcupine district alone there are at the present time over 25,000 people gainfully employed in the mining industry, and there has been the greatest agricultural development in northern Ontario for the last twenty years. The same applies also to our forest industry. In all, the population concerned is nearly a quarter of a million. Surely we deserve more consideration than we have received in the past. We were told some time ago by the radio commission that they would send fully qualified men to study the situation on the ground, but I am not aware of any of these men having visited us. We were expecting also to have a visit from some member of the radio commission. That promise was made by the chairman himself in a letter to me of November 18, 1932, in which he said:

> Honourable Maurice Dupré has directed my attention to a question you asked in the house the other day. I may say that the matter of radio service in northern Ontario is receiving our close attention, and when my technical colleague, Colonel Steel, returns from Madrid, we hope to make a tour of Canada and investigate conditions in northern Ontario on the spot with a view to devising remedies.

I have no doubt that the chairman was sincere when he wrote that letter, but I must repeat that as far as I am aware we have never had a visit from any high official of the commission, and I say this is absolutely unfair to the population in our section. I know that people in all parts of Canada greatly appreciate the tour made some two years ago by Mr. Maher who was then a member of the radio commission. He toured some of the western provinces and became familiar with the radio situation there.

I expressed the hope before the commission last year that they would find it possible to have at least half an hour a week to tell the people of Canada of their own activities. There are some technical problems involved in that question, and I am going to read a kind of brief in which our problems are stated:

> The main Canadian radio commission station in Toronto, that is, CRCT, has not been heard satisfactorily in northern Ontario since they changed their wavelength from 840 to 960 k.c. some months ago. On their present frequency they are hopelessly heterodyned. According to comments in the press, even in Toronto itself CRCT is received only with a bad whistle in the background.
>
> I may say it is absolutely impossible to receive CRCT properly in the daytime in northern Ontario.
>
> CRCM, the Montreal Canadian radio commission station is also seldom heard free of interference. CKAC comes in fairly well after dark until about 11 p.m. when it is ruined by a Mexican station.
>
> CFRB, the Rogers station in Toronto is really the only Canadian station on the broadcast band that comes in northern Ontario with any consistency or clarity. Unfortunately it is on a frequency of 690 k.c. while WLW, the Crossley station at Cincinatti, is 700 and have a very bad habit of swinging on their frequency at times, bad enough to drown out CFRB altogether. Furthermore WLW will shortly put in steady operation if they have not already done so their new 500,000 watt transmitter, the most powerful in the world, and it would appear to me that once they do this it will be almost impossible to listen to CFRB as long as the two stations remain on the adjacent frequency channels of 700 and 690 k.c. respectively.
>
> As far as the regular broadcast band is concerned we still get very little daylight reception. Timmins of course, and a very limited area do come audibly, although weakly, under favourable conditions, CFRB and WLW.
>
> I am of the opinion, that the solution of adequate Canadian radio coverage of the north at reasonable cost lies in short wave transmission. The Canadian radio commission deserves a great deal of credit for reopening station VE9GW on 49.22 metres at Bowmanville, and through this station we do hear many of the commission's programs in daylight. Under most conditions VE9GW comes in fairly well from early morning until about 10 p.m. when it is on the air. Alas, there's the rub; several days a week VE9GW does not go on the air till noon. They should be on every day including Sunday from 8 a.m. on. Furthermore, once the United States 49 metres stations

get going, VE9GW is badly crowded and it is very difficult to listen to them without W3XAL Boundbrook butting in. I would recomend that if at all possible they use more than one frequency simultaneously, and if a channel can be obtained, one between 50 and 60 metres.

There is a great deal of room for improvement in the international allocation of short wave frequencies for broadcast purposes. For instance, GSA at Daventry, England comes in quite well after dark but is drowned out by W3XAU, Philadelphia or WIXAL, Boston if either is on the air. The Boston station is particularly bad, as their programs are of the cheapest commercial type, advertising cut rate clothing stores, etc., of interest only, if at all, to listeners in Boston. Short wave reception is world wide, and the programs should be arranged accordingly.

In connection with the very good reception during daylight from VE9GW, except for interference late in the afternoon and the evening from the United States station, one point that should be brought home very forcibly is the comparative cost of operating one or more of these short wave transmitters, to give adequate coverage to northern Canada, and the cost of broadcast band transmitters.

VE9GW is only 400 watts. CFRB is 5,000 watts or more. Plenty of United States stations use anywhere from 50,000 watts to 500,000, yet no broadcast band station ever comes in up in our section, in daylight, with one-quarter of the volume of VE9GW.

I think that I am safe in stating that the Canadian radio commission could operate four or five short wave transmitters of the same power as VE9GW for less than the cost of one 5,000 watt station on the broadcast band, and secure excellent reception all day and most of the evening. These short wave transmitters should be located so that each section of Canada would be able to hear at least two, and the programs of course should be different. Under some conditions 25, 31, or even 19 metre wave lengths transmit better, and if possible each station should transmit simultaneously on more than one short wave frequency, the same as the British Broadcasting Company do now with their English programs.

Now I just want to say a few words about the collection of radio licence fees in Ontario. Last year the collectors had a real fight on their hands, on account of the fact that the people, not receiving radio programs, in many cases absolutely refused to pay the $2 licence fee. The principle of no taxation without representation also extends to no payment without service. But a lot of our people were brought before the police magistrate and fined for not paying their radio licences. I maintain that is absolutely unfair, that we should not pay a licence fee until we get reasonable radio reception. In our section of the country we have no quarrel with other sections, but hon. members must realize that our pioneer population has been a wonderful stabilizing factor in the last few years of depression. It must be realized also that we are doing pioneer work and that we are far away from the daily press. For instance, the daily issues of Montreal, Toronto and Ottawa do not reach our section of the country until twenty-four hours after they have been printed, and I submit that those people are entitled to receive the news of the world. That is now made possible by the radio, if the same service could be given all sections of Canada. In a way I am sorry the Minister of Marine (Mr. Duranleau) is not here at the moment; perhaps he could enlighten me on this question. We were astounded a few week ago to be told that no consideration had been given the erection of high powered stations in the north. On the other hand I am told, and I believe my information is correct, that it is the intention of the radio commission to increase the power of the Toronto station. It must be remembered, however, that Timmins is nearly five hundred miles from Toronto and no matter how much you increase the power of the Toronto stations it will not give the north the service to which it is entitled. The only way to afford proper reception in our section of the country is to erect a high powered station or a relay station, and I leave it to the commission to decide which it should be.

This is a very important question. The people of this city and of other sections of Canada are not suffering at the present time but surely you cannot have one section of the people discontented in connection with a matter of such national importance without having that discontent felt all over the country. I am making this appeal in all sincerity; it is absolutely outside the realm of politics. All the newspapers in our part of the country, regardless of their political affiliations, are a unit in demanding better radio reception. They have asked the cooperation of the hon. member for Pontiac (Mr. Belec) and of the Minister of Labour (Mr. Gordon), who lives in northern Ontario. I believe these gentlemen have appeared before the radio commission in order to give their views on the matter. I do not intend to criticize the commission to any extent; I understand their power is limited, but if we do not get the reception to which we are entitled the blame must rest on the threshold of the present administration. Surely it is possible to remedy the situation. Last year the government found it possible to vote nearly $50,000,000 for a public works program. We do not object to that, though very little of that amount will be spent in northern Ontario. Under the farm loan act some $90,000,000 is to be loaned the farmers of Canada. We do not object to that, though our section will receive very little benefit. At the present time wheat is pegged and we have to pay more for our

flour for that reason. We do not object to that, because it helps some of our people, but surely it should be possible for the government to remedy the situation that exists in our section of the country. I am making this appeal in the hope that I may get the ear of the government, if not the ear of the commission. We cannot go on forever with only pious wishes. Every time I appear before the commission I am well received; they always listen to our case, but this is not sufficient. I hope every member will be fully seized with the situation and find it possible to help us in this regard. I am told on good authority that to give us a proper service would not entail a very large expenditure. I am told by an expert in these matters that $100,000 would be ample to provide proper facilities, which would give proper service to at least a quarter of a million of our pioneer population, who certainly are entitled to it.

I should like to say just a word on another matter which is very important to northern Ontario, and which also affects every section of this country; I refer to the trans-Canada highway. During the campaign of 1930 we understood that this question was settled so far as our section of the country was concerned. All candidates, both Liberal and Conservative, agreed that the road should go through our section of the country. That was particularly so in regard to the Minister of Labour; I know that hon. gentleman was sincere when he made the statement that our section would be on the route of the trans-Canada highway, but I regret to say that very little has been done in the last five years with that end in view. It is true that the so called Ferguson highway has been improved to some extent, but that highway cannot compare with the road that has been constructed in the last four years northwest of the city of Pembroke, nor can it compare with the highway now under construction in the southern part of northern Ontario. The work in our section has been held back for one reason. The ministers of the late Ontario government told us that if the route had not been definitely decided it was because they had not received definite and final reports from the surveyors who had been working on the project for a number of years. So I was astounded when, last winter, I read a certain document issued by the Ontario government dealing with this question in which it was stated that in November, 1932, the route had been arrived at. I say that was not fair to our section of the country, because we were not made aware of that fact. This is the route that was agreed upon:

[Mr. Bradette.]

Whereas the route of the said trans-Canada highway across the province of Ontario has been fixed by the province as to parts thereof, as per order in council dated the 26th day of August, 1931, as follows:

Section 1: Trans-Canada highway, Ottawa valley section. From Pembroke through Mattawa to North Bay.

Section 2: Trans-Canada highway, Thunder Bay section. From Schreiber to Nipigon through Port Arthur and Fort William to English River.

Section 3: Trans-Canada highway, western section. From English River through Dyment, Dinorwic, Dryden, Kenora to Manitoba boundary.

Not a soul in our part of the country knew such an order in council had been passed, which made no reference at all to our section of the country. I must give the Minister of Labour due credit, however, for the way he dealt with this very important matter. I have under my hand a reference to the routing of that road over the Hearst division to White River. I have a letter written to the present Minister of Labour, dated December 7, 1934, by Hon. Peter Heenan, minister of lands and forests of the provincial government, in which he says:

You will realize, of course, that your letter of November 27 was written when the highway from Sault Ste. Marie north to White River was under discussion and therefore does not enter the discussion at this time because, as you will recall, it was agreed at the last conference to construct the highway from Schreiber to White River, and the question whether or not the trans-Canada highway will go north to Hearst or south to Sault Ste. Marie from White River would be left in abeyance for later consideration. Answering your question directly, I am satisfied that the connection to Hearst and Sault Ste. Marie comprising the circle ultimately will have to be built.

That is the only redeeming feature at present, so far as we are concerned. Again I must give credit to the Minister of Labour for being fully seized of the exact situation. We have no quarrel with other sections of the country; we realize that Fort William, Sault Ste. Marie, Sturgeon Falls and Sudbury should be on the highway, but surely no hon. member will suggest for a moment that the northern section of Ontario should not be directly connected with that wonderful highway system. I am raising the question at this time in order that the government through the present Minister of Labour, who is very familiar with that question, may see to it that the trans-Canada highway follows the Ferguson highway, and that the route is not changed again.

I must make myself very clear in this connection. During the 1930 campaign definite pronouncements were made in our section of the country by supporters of the

present administration. This matter was included in their political propaganda; in their manifesto they made it plain that the trans-Canada highway would pass through the northern section of northern Ontario, that it would go north from North Bay by way of the Timagimi reserve, through the town of Haileybury to Cochrane, then on to Hearst and westward. We are not parochial in our point of view; we realize that it would be more economical for the government to build the road from North Bay along the route of the National Transcontinental railway, but we also know that if this is done a large section of northern Ontario will be left out. We do not want to be fooled in that matter. A promise made in the heat of the campaign is a promise which must be fulfilled. In his discussions last fall with the Minister of Lands and Forests for the province of Ontario, the federal Minister of Labour made it clear that our section of the country would not be forgotten. It is time that the House of Commons was fully seized of the radio situation in northern Ontario and also the conditions obtaining in connection with the trans-Canada highway.

Some people hold the view that local matters should not be brought to the attention of a federal government. My answer would be that in many instances regional problems are in fact national. At times by not attending to regional matters we do an injustice to all the population. In this connection I have in mind what happened last year when the budget was presented. The Minister of Finance was of the opinion that the provisions in regard to gold would affect only a half dozen ridings throughout the country. He afterwards realized however, that every citizen in Canada either directly or indirectly was interested in gold mining. The same would apply to the building of the trans-Canada highway. We must be very careful to build no barriers against the project, and we must take great care in the routing selected because in years to come the highway will be paid for through the traffic we may gain not only from Canada but from the United States. I am in favour of the vote which was made recently for the development of the tourist traffic, but I would say we must be very careful about the way we spend our money in the construction of highways.

The matters about which I have spoken affect vitally the section of Canada from which I come, and deserve the attention of all hon. members. I realize the difficulty of building up a case for northern Ontario, because only one or two members are directly interested in that section of the dominion, and for that reason they are the only ones with accurate knowledge of our problems. Nevertheless hon. members must realize we are as familiar with conditions in the east as with those in the west. In one sense we in northern Ontario are westerners and in another sense we are not. We know as much about the municipal politics of Toronto as we know about municipal politics in the city of Winnipeg. I regret to say, however, that in many instances we have not been understood and we were not given the attention and support we deserved.

May I urge that the government have this matter of radio reception remedied? The people in northern Ontario would be grateful to any government which would give better service than that which now obtains, because our people have the faculty of recognizing whence their help may come. I well remember that the people in my constituency sent letters of appreciation to the Minister of the Interior (Mr. Murphy) for certain work he did in my section of the country. The same would apply to the matters I have brought to the attention of this chamber.

Mr. H. B. McKINNON (Kenora-Rainy River): Mr. Speaker, I wish to associate myself with other hon. members in expressing my pleasure in the fact that the Prime Minister (Mr. Bennett) is again regaining health, and that at the forthcoming jubilee he will be well enough to represent Canada in Great Britain.

As a member of this chamber elected in one of the more recent by-elections, and coming from a constituency which represents a typical cross section of public opinion throughout the dominion, may I say that in my view the results in that by-election were highly significant. To a great extent my constituency consists of industrial workers, although many farmers are scattered throughout the various sections of it. As one who has belonged to the army of industrial workers I have been vastly interested in the social legislation placed before parliament at the present session. In my working days I had a keen interest in these matters, and as a consequence the legislation placed before us has received my careful study. I find in it a number of provisions with which I do not entirely agree, although I do approve of the general principle involved.

Let us turn to the legislation for unemployment insurance. In my opinion, sir, that measure does not go far enough. I am of the opinion it should include many workers who, as the Prime Minister pointed out, are very seldom unemployed. If we are to apply the law of averages I say the legislation should be extended to include workers employed in banks, in insurance offices and in other vocations,—workers who are not now included. I can remember that in 1930 the statement was made during the campaign that if elected the Conservative party would take care of the unemployed. Well, they were elected, but they have had very little success in carrying out their promise. The unemployment insurance legislation merely shifts the burden to the shoulders of the employed. Under normal conditions in Canada the vast majority of people now employed will, undoubtedly, continue to be employed. Consequently while these employed persons have no objection to bearing their fair share of the costs they feel the privilege should be extended so that the law of averages should apply. My view is that the scheme would be more effective if it were extended to include more than it does at the present time.

If I remember correctly, during the campaign of 1930, speaking in the maritimes, the present Prime Minister expressed a great deal of sympathy for the railway employees. He felt they were being unjustly treated, and stated, so I understand, that if the Conservative party were returned to power two trains would be running for every one train running at that date. Well, since he took office 60,000 or 70,000 railway men in Canada have lost their employment. It would seem, therefore, that the Prime Minister's promise to have two trains running where only one had run previously did not work out as well as the right hon. gentleman imagined it would.

The government has undertaken the setting of minimum wages. Labour organizations in Canada have always contended that they do not want minimum wage legislation, because employers invariably have construed minimum wage measures as measures setting maximum wages. However, conditions have changed and the government has seen fit to introduce such legislation. There is one principle which I think should be followed in connection with that matter. It could not very well be worked out when it was a question of private negotiation between labour organizations and employers, but it should be possible to work it out now. A man with a family should most certainly receive more money for his labour than a man who has no children, if we consider that children are an asset to the nation. A man with a family of six or seven or eight should be given some consideration over and above what is given to the man who is single.

I was vastly interested also in the constitutional aspects of the question. The Prime Minister and his side were very sure that this legislation was within the power of this parliament to enact. Our leader and the ex-Minister of Justice (Mr. Lapointe) were equally sure that it was not. As a new member of the house I was confused by these conflicting opinions and did not know exactly where I was at. I was in very great doubt until I read a notice of motion that had been placed on the order paper of the legislature of the province of Ontario shortly after the leader of the opposition in the Ontario legislature had been down here in Ottawa. That notice of motion by the Hon. Mr. Price reads as follows:

> Be it resolved that this legislature approves of the principle of the legislation for insurance against unemployment and other forms of social insurance recently given a unanimous second reading in the House of Commons at Ottawa and is prepared to supplement, complement or augment such laws of the parliament of Canada by provincial legislation, so that the dominion wide scope of unemployment insurance may be maintained without recourse to litigation over questions of jurisdiction.

After reading that notice of motion I was entirely satisfied in my own mind that the position taken by the leader of the Liberal party in this house and by the ex-Minister of Justice was sound, because if the government had been so sure of their position what could be the purpose or necessity of having this resolution brought up in the Ontario legislature?

In common with the rest of the members on this side of the house I very much object to the long adjournment that it is proposed to take. It will put the members, particularly those from distant parts of Canada, in a very embarrassing position, because when they go to their constituencies the first question they will be asked will be: When are we going to have an election? Every place I go I hear that question asked. Business is being held up. Business people do not want to make commitments. There is an atmosphere of uncertainty until this question of the election is decided. People want to have the air cleared, and the only way to do it is by giving them an opportunity of saying what government they want here at Ottawa to bring down legislation that will be in their interests.

Although I represent an industrial riding—and I may say that my interests have been largely industrial all my days—I should like

to say on behalf of the rural parts of the district I represent that the farmers have been complaining bitterly about the prices they have been receiving for their products. The Ottawa agreements, which were supposed to do so much for the farmers of this country, are certainly not finding much favour in the constituency I have the honour to represent. All the arguments that we have heard advanced in this house in favour of the Ottawa agreements were made by various speakers in the by-election in my constituency last September. They were put forward quite plainly and I believe quite fairly to the electors of my district, and of course the result is history now. The people there could not see where this legislation was benefiting them in any way, shape or form.

There are industries in my riding that will be vitally affected by the reciprocal arrangement that is now in course of negotiation with the United States. I do not suppose I should say very much about it, as negotiations are still pending, but I should like to point out the position in which some of the companies in my riding find themselves. Their market is necessarily to the south. In the year 1928 one of these firms shipped out 86 million feet of lumber. That figure dropped in 1932 to 21 million feet, and in addition the value of the lumber dropped from $30 a thousand in 1928 to $19 a thousand in 1934. I would urge upon the government that these firms are finding it very difficult to carry on, and in any negotiations that take place I would urge upon the government that some concession be given to our timber operators. There is now a one dollar tariff and a three dollar excise tax against our shipments of timber to the United States. I do not know that it makes any difference what the tax is called, but it is certainly a burden on these industries which they are really unable to carry. Along the border we have had a very serious situation, and it would have been much worse had it not been for the fact that some concessions were given by the Ontario government to our timber operators to enable them to carry on. But they will need more assistance than that, and I urge upon the government that they endeavour in the treaty negotiations now in progress to see that such assistance is given.

Mr. WILFRID GIROUARD (Drummond-Arthabaska): Mr. Speaker, the government's determination to adjourn the present session until May 20th clearly shows that they intend to remain in office until the extreme limit, in spite of the lack of confidence which was clearly expressed in different parts of the country. Nothing could better illustrate the fear felt by the government than to see them try to delay the expiration of their term—which will be a fatal date for them—until they are bound by the constitution to face the electorate. We have seldom seen such contempt for our parliamentary practice and such unjustified refusal to grant an election to the people who, especially since a year, demand a change in the management of public affairs.

Rather than consider an adjournment—an adjournment that is unnecessary, but will cost a lot money to the already overburdened taxpayers—the government ought to introduce measures to settle the most pressing problems at the present time. Among these problems which the government has neglected since five years, or for which it has failed to seek some effective solution, one must certainly mention the painful conditions under which the farming industry is striving at present.

Representing as I do a riding where butter and cheese making constitutes the main source of revenue for the farming community, I may surely be allowed to call the attention of the house to the fact that no proper steps were taken since five years to increase the price of these products. In order to convince oneself and to establish the difference between a promise and its realization, I shall remind you of what the farmer of this country had a right to expect, by quoting a short extract from a speech delivered by the right honourable prime minister at Ormstown, on June 30, 1930, as reported by the Ottawa Citizen:

> It was necessary that farmers should receive just compensation for their efforts "and rewards equal to the professions" to keep Canadian boys and girls on the farm. Agriculture stood first in Canadian development ... "we must supply the same advantages to agriculture as to other activities. It must be made as profitable as any other profession in which men are employed."

Mr. Speaker, after five years in office, the prime minister and his colleagues have not yet presented any measures to give the farming industry benefits equal to those granted other occupations. They forgot their pledges of 1930 that agriculture was to be made more remunerative and should be first cared for by those who lead this country. I regret to say that instead of stating a policy which would help the farmer, the greatest anxiety of this government, its first care, has been simply to secure an adjournment.

The Minister of Agriculture (Mr. Weir), while putting his estimates through the house in 1932, said, at page 2795 of Hansard, about butter and cheese:

> However, there is another dairy product which we can produce and sell in the old country markets at a premium; I refer to cheese.

So I think if we are to concentrate on dairy products we should concentrate on cheese, and since many think we cannot separate butter and cheese, what assists one is bound to assist the other as well.

The minister suggested a greater production of cheese and some time later, during the summer months, the Ottawa agreements were reached. Not only has our production of cheese been dwindling, but our exports of that product were alarmingly reduced as a result of the agreements.

Although it might not be very pleasant for this house, sir, it is of importance in this occasion to give figures in order to prove that the agreements reached at the Ottawa Imperial Economic Conference, in the year 1932, have been damaging to our agricultural class in the province of Quebec, in so far as our production and exports of cheese have been reduced. In the year 1931, Canada exported to England 706,726 cwt.; in 1932, when the agreements had not had any result yet, we were exporting, also to Great Britain, 747,417 cwt. In 1933, after the agreements had been operating, a great reduction took place, and our exports stood at 629,498 cwt., then dropped to 526,508 cwt. in 1934.

In December, 1934, we exported to England 2,927,000 pounds of cheese, whereas, for the same period in 1933, our exports were 6,408,512 pounds. In the Commercial Intelligence Journal of March 2, 1935, I find the following on the subject of our cheese exports to Great Britain:

> Canada, with 520,221 hundredweight of cheese out of a total of 2,988,567 hundredweight, is now relatively an unimportant factor in this trade in which at one time she was preeminent.

Since the Ottawa agreements have been signed, British imports of Canadian cheese have dropped from year to year. Here is an official government publication declaring, in March, 1935, that Canada is in a poor position in respect of cheese exports.

While our exports were dwindling, Australia and New Zealand, who signed the Ottawa agreements, were shipping far greater quantities of their cheese; that is to say, while our exports were reduced, the exports from those two countries were reaching a considerably higher figure, to the prejudice of our own farmers. In 1931, England imported 1,732,000 cwt. from New Zealand; in 1933, 2,059,393 cwt. and, in the eleven months ending November 30, 1934, New Zealand shipped 1,973,703 cwt. Australian exports are also greater. I submit respectfully, sir, that, instead of asking for an adjournment of the house, the government would be well advised to review the Ottawa agreements in order to put our cheese factories in the same favourable position as they were before the conclusion of those agreements.

The hon. member for Bellechasse (Mr. Boulanger), in his splendid speech this afternoon, reminded us that one of the chief causes of the miserable situation in which the Canadian farmer finds himself to-day might be found in the fact that our farmers are selling their products at a low figure, while they have to pay high prices for the manufactured goods they have to buy.

Farmers in my constituency—and those of Quebec generally—have signed a petition addressed to the Prime Minister of this Dominion asking the government to fix a minimum price on a number of products and establish an export premium on butter and cheese. As this petition is of great importance, perhaps the house will allow me to quote it. Having described the pitiful condition of our farmers, they were asking the government, in January last, to fix—

> . . . a minimum price as follows on the following products: butter, thirty cents per pound; cheese, fifteen cents per pound; eggs, twenty-five cents per dozen; pork, ten cents per pound; potatoes, fifty cents per bag.

You will notice, Mr. Speaker, that the farmers who signed this petition are very moderate in their claims.

They ask, in the second place, for an export bonus on cheese as well as on butter. Their petition continues:

> The undersigned believe that with such a minimum price and such an export bonus, the agricultural situation, which forms the basis of our economic system, would very appreciably improve and that, as a result, the general business situation of the country would benefit to a great extent.

There is at present a minimum price on wheat; this government has already granted a bonus of 5 cents a bushel on wheat exports, and the right hon. the Prime Minister has moreover announced a bill to reduce the hours of labour and one to establish a minimum wage. The legislation requested by the signers of this petition is somewhat similar to that which the Prime Minister has submitted to us. In order that such legislation may be effectual, it must necessarily apply to the whole country, as butter and cheese are produced in every province of Canada.

The ex-Minister of Trade and Commerce (Mr. Stevens), in his letter of January 19, 1934, which was at the same time as his letter of resignation dated October 26, 1934, wrote to the Prime Minister as follows:

> On your return from the International Economic Conference I submitted to you in writing, and discussed later with you in conversation, proposals regarding certain problems

in Canada, among them being the plight of the butter producer, and the necessity of action being taken before the winter months set in, to raise the price of butter to the producer,—

Mr. Speaker, the Prime Minister had this plan before him for over a year, but he did nothing about it. That is no doubt the reason why the ex-Minister of Trade and Commerce added to his letter from which I have just quoted the following words:

—you will allow me to say most clearly that I fear you have permitted certain problems of a more or less international or general character to so obsess your mind and your attention that it has made it impossible for you to appreciate some of these pressing Canadian problems, which, while difficult of solution, are quite within the power of parliament.

If, as the ex-Minister of Trade and Commerce has stated—and he had been the Prime Minister's colleague during four years—international questions so obsessed the mind of the Prime Minister as to make him neglect purely Canadian questions, it is not surprising that he and his colleagues should not have had time to direct their thoughts towards improving agricultural conditions in this country.

I transmitted to the right hon. the Prime Minister petitions signed by a large number of farmers in my constituency, and I sincerely trust that the ministers from the province of Quebec will remind their chief of the promise he made in 1930 to obtain for the farmer a higher price for his products and that they will urge him to grant the request contained in these petitions.

Mr. POULIOT (Translation): Hear, hear.

Mr. GIROUARD (Translation): Mr. Speaker, that is one of the reasons that lead me to oppose the adjournment requested by the government. The agricultural problem of this country requires an immediate solution. This is not the time for an adjournment. On the contrary, it is the time to provide remedies and to fulfil the promises made to the farmers of the country and of the province of Quebec, particularly in regard to butter and cheese. The ex-Minister of Trade and Commerce communicated to the government in 1933 a plan to increase the price level of butter and cheese in this country. His plan was not accepted by the government. It seems to me that if the government really had the interests of the farming class at heart, they would, instead of asking for a one-month adjournment, immediately bring forward the measures required to increase the price of the principal products marketed by the farmers of Canada.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

POST OFFICE ACT AMENDMENT

Mr. T. L. CHURCH (Toronto East) moved the third reading of Bill No. 50, to amend the Post Office Act (newspaper ownership).

Hon. FERNAND RINFRET (St. James): Before this bill is read the third time I wish to say a few words regarding it, seeing that I had not an opportunity of joining in the discussion when it was previously before the house. I do not exactly desire to oppose the bill but rather to qualify the support I am willing to give it. There is nothing wrong in principle about it, but I am afraid it will not serve any great purpose. In the first place I regret that it proceeds in an indirect way. I appreciate the fact that it might not have been possible to put through a bill covering this subject which would deal directly with it, but I have my doubts as to whether we might not safely have left the matter alone instead of proceeding with it as here proposed. It is a bill to amend the Post Office Act, though the purpose is to obtain a list of the shareholders, owners and others associated with every newspaper. As pointed out before in the discussion in committee—and I think it was also pointed out when a similar bill was before the house in previous sessions—there is no possible sanction for it, though the bill declares that if its provisions are not observed by any publication that publication shall be denied the privileges of the mail. This is an indirect and circuitous way of dealing with the matter, and it leaves in my mind a doubt whether this parliament could deal with it in a direct and more regular way. I admit that at the present time the privileges granted by the Post Office Department to large newspapers is so considerable, in the reduction of post office rates, that the sanction may work; but I wish to qualify that part of the bill. I do not think that this way of legislating on different matters should be greatly encouraged, even if in this instance it may seem to be the proper method of dealing with a situation that might not be met otherwise.

The main point I wish to make is that even if you succeed in obtaining a list of editors, publishers, shareholders and others connected with a newspaper—my hon. friend has tried to make it as complete as possible—I am not sure that this will finally achieve the purpose the hon. gentleman has in mind. A list of

the names of owners and especially shareholders of a large newspaper to-day will not necessarily disclose the motive that may be behind a particular attitude which that paper takes. A newspaper to-day is primarily a business concern and quite a number of persons invest their money in it, as in any other industrial enterprise, merely for possible profit. They are not necessarily interested in the attitude of the paper on a certain occasion towards a particular question.

In Montreal for a considerable time we had two English papers published in the evening, one giving the Conservative attitude and the other the Liberal, and yet it was well known that they belonged to the same man, the object of the so-called Liberal newspaper being merely to close the field of competition in order that the larger paper might have it all its own way. You may say that this is the very thing which this bill would prevent, inasmuch as it would compel the owner to disclose his identity and the fact that he owned both newspapers. But the fact is that everyone was aware of his ownership of these papers; it was common knowledge. Had a bill like this been in force then there is no doubt that he would have used other names so as to avoid disclosing his ownership of one of the papers. A bill such as this might have operated in the opposite direction to that which the hon. gentleman desires.

I would point out further that newspapers are the year round primarily purveyors of information. The old party paper which used to give only one side has pretty well disappeared; to-day a newspaper of a certain standing gives information on both sides. I do not overlook the fact that we have very strong party newspapers which, through their editorials, espouse a political cause and certainly exert an influence in that field. But even such newspapers, if they wish to retain their standing in newspaperdom, must convey information to the people; they must give information on both sides of the question—or may I say, in deference to my hon. friends in the corner, on all three sides of the question. With respect to a party paper of that description, supporting one or other political group, it is not very material that you should know who precisely is the man or who are the men giving it financial support. You know that it is Liberal or that it is Conservative. But the larger newspaper—and we have quite a number of them to-day—is not

[Mr. Rinfret.]

devoted strictly to one or other of the political parties; it is a business concern, a purveyor of information; it disseminates information in all directions, gathering it from all sources, and its pages are read, if it is a so-called Conservative paper, by Liberal readers, and vice versa if it is supposed to be a Liberal journal. And it is read by those belonging to the third party. But the main object of such newspapers is, I repeat, not political; it is a business proposition. And when these newspapers attain a certain degree of efficiency as carriers of news they also become a medium for advertising. Here again it is merely an industrial concern. I do not think there is any need to get a list of all the people interested in a newspaper carrying advertisements or printing news in that way, any more than there would be such a need with regard to any other industrial enterprise. For that reason, it seems to me that even if this bill is adopted it will not serve the purpose its promoter has in mind.

Judging by his own commentaries, the object the sponsor of the bill seeks to attain is to find out who is the sinister influence behind a certain attitude on the part of a newspaper towards a particular question, or who is the political fiend that has inspired a certain comment on a certain bill. I do not think you will obtain that information by getting a list of the shareholders of newspapers, for the reasons I have given. I repeat, most of the shareholders are interested in the paper for business reasons; they are anxious to see the paper maintain its circulation by disseminating news to as large a number of subscribers as possible, and they want it to get as many advertisements as it can. If at a particular moment in the life of a newspaper —I am not speaking of the party newspaper but of the large journals—it appears to support a particular party in the first part of the year and another party in the latter part of the year, then I do not think that by obtaining a list of the shareholders you will find out the reason for these changes in the newspaper's atmosphere. If that sort of paper wishes to carry special propaganda, those who are really interested will carefully hide behind fictitious names; they will take care not to disclose their identity. This list, prepared with great care and submitted to my genial friend the Postmaster General, will not disclose the purpose behind it.

I read in subsection 2 that it is also proposed to have all reading or editorial matter for the publication of which money is paid or valuable consideration given plainly marked

"advertisement." That also reads very well, but what does it mean? It means that if editorial matter is directly paid for by someone who wants it published, it will be marked "advertisement," but anyone with a little experience in newspapers knows that is not the way it is done. A financial institution or industrial concern will give an advertisement to a newspaper and will pay for it at so much per line. Then they will submit besides some reading matter which they suggest it would be desirable for the paper to publish, but they do not pay for it. It is not likely the reading matter would be published if the advertisement were not published, but in the long run when a paper has a client of that description there is no money paid directly for the publication of such reading matter. There again you will catch the small fish but miss the larger one. If a man wants a little bit of reading matter printed to serve a special purpose and pays for it, you reach him, but a large concern that has a contract for a year with a newspaper, and there is an understanding that these men, being good clients, should be treated liberally, reading matter will be printed in the paper for which they do not pay. That will not come under this section at all; yet there is no doubt that it is advertising in the same sense as the smaller ones I have just referred to.

From these remarks it would appear that I am not very strongly in favour of the bill. But I do not desire to oppose it. I do not think it is going to be very useful, but at the same time I believe it is harmless. I have no objection to the list of shareholders of a newspaper being known to the public. But from my experience as a newspaper man I wish to warn the public against attaching too much importance to such a bill, or concluding from the publication of such names that those people and those only are responsible for whatever the newspaper publishes. In short, this bill is very much like some of the reforms of the government; it is good in principle but it is not going to accomplish very much in practice.

Mr. A. W. NEILL (Comox-Alberni): While I am quite in favour of this bill, I take this opportunity, now that the Minister of Justice (Mr. Guthrie) is here, of asking if he would be good enough to give his view. I draw his attention to subsection 2, which I submit conflicts with the jurisdiction of the provinces over property and civil rights. In the first place this is an act to amend the Post Office Act, but subsection 2 has no reference to the Post Office Act in any way, shape or form. This subsection requires that any matter published for which money or other valuable consideration is given shall be marked "advertisement", and for failure to comply with this requirement a fine of not less than $50 and not more than $500 is provided. That is a peculiar provision to put under the Post Office Act. As I said the other night, a similar bill was put through this house some years ago and was thrown out in the other chamber for the reason that it conflicted with the rights of the provinces.

Hon. HUGH GUTHRIE (Minister of Justice): I have no objection to expressing my own personal opinion, but I believe it is the rule that it is not proper to ask for legal opinions from the Minister of Justice in regard to these matters. However, I think that the section referred to is within the competence of this parliament if it sees fit to enact it.

Mr. T. L. CHURCH (East Toronto): With reference to the objections taken in the house last Friday night to this bill and the question of jurisdiction raised by the hon. member for Comox-Alberni (Mr. Neill), under the British North America Act the regulation of the post office is under federal jurisdiction. Subsection 2, to which the hon. gentleman referred, is simply a regulation for the post office. The Postmaster General can refuse admission to the mails of any newspaper in Canada and need not give any reason for doing so. For that reason the section is intra vires of this parliament. It does not in any sense relate to property and civil rights.

With reference to the remarks of the hon. member for North Winnipeg (Mr. Heaps), who supports the bill, I entirely agree with his comments about certain scurrilous publications. They are not newspapers; they do not conform to the law of libel and slander; they show no editor or office of publication, and parliament should in some way control that type of scurrilous circular. They do not come under the provisions of the Post Office Act; they are under the authority of the chief electoral officer under the new election act, and it is his duty to see that this class of literature is prohibited. It is contrary to both the Dominion Elections Act and the criminal code as well as the law of libel and slander, which is provincial. If the hon. gentleman will draft an amendment to the Dominion Elections Act to take care of circulars and dodgers of this kind used at election time, commonly known as roorbacks, I will second it. Such publications do not come under this

bill or any act of the federal or provincial legislatures, because they are not newspapers.

Referring to the observations of the hon. member for St. James (Mr. Rinfret), he was a member of the administration that supported this bill for six years in this house. While he is not opposing the bill, he offered some criticisms of it; but I may tell him that this has been the law in England for many years and in the United States since 1912, and it has worked well. Why should any society, because it is incorporated under the newspaper law, be free from obligation to disclose any details regarding its business? This is a very moderate bill, providing for what has been found to be in the public interest. There never was a time in the history of this country, in view of the many important problems facing it, when it was more necessary that hon. members should speak out and demand publicity as to the owners of that small section of the press that would be opposed to this bill. I paid tribute the other night to what the press has done, and I need not say anything further on that. I believe this is good legislation. It was part of the Liberal platform of 1919. It originated with the Liberal party in Great Britain. This particular bill has been examined by the law officers and other lawyers, and is intra vires of this parliament.

Motion agreed to and bill read the third time and passed.

WAYS AND MEANS

OBJECTION TO PROLONGED ADJOURNMENT EXPRESSED IN AMENDMENT TO MOTION FOR COMMITTEE

The house resumed consideration of the motion of Mr. Rhodes for committee of ways and means and the proposed amendment thereto of Mr. Lapointe.

Mr. J. A. MacMILLAN (Mackenzie): Mr. Speaker, the amendment which is now before the house is timely and imperative. There is no other way of regarding it. The conditions which prevail throughout the entire country demand our immediate and undivided attention. During the first and second weeks of this year the Prime Minister (Mr. Bennett) delivered a series of radio addresses, and by the statements he made therein set the country all agog. The old order, which has existed for many centuries, was to be obliterated, he said, and replaced by a new social order. This new social order has been advocated by and has been a part of the policy of the Liberal party for many years. When the house opened this year and the government undertook to place this reform legislation on the statute books, therefore, the official opposition rendered every assistance possible in order to facilitate the passing of these measures so they would become law and be put into operation in this country. Now we have the government coming forward with the proposal that we should have an adjournment of five or six weeks. Having regard to the conditions that prevail throughout the country I contend that this request is very unreasonable and savours of insincerity. There is not a political party in this house, or in the country so far as that goes, that is better equipped to put these reform measures into operation than the Liberal party, because the Liberal party is a party of action and reform.

Some hon. MEMBERS: Oh, oh.

Some hon. MEMBERS: Hear, hear.

Mr. MacMILLAN (Mackenzie): I am glad that my statement meets with approval on the other side of the house as well as on this side. I hope it will not be considered that I am using very strong language when I declare that the present government is a government of usurpers. This government came into office in August, 1930. Its popularity began its great and unparalleled retreat in 1932. In that year a by-election was held in the constituency of South Huron, and naturally it was expected, as is always expected, that a supporter of the government would be returned. It is only fair to the government to say that the seat was held by a Liberal prior to the by-election, but the important point to consider is that in the by-election a Liberal was elected by a greater majority than had been given the previous candidate in 1930. That was the first intimation to the government that their popularity was on the wane to a considerable extent.

Then in August, 1933, a provincial election was held in the banner province of Liberalism, Nova Scotia. A Conservative government dissolved the legislature, but after the election the Liberal party formed a government. Then there were three by-elections in different parts of Canada on October 23 of the same year. The constituency of Restigouche-Madawaska, which was represented by a Conservative prior to the by-election, returned a Liberal by such a handsome majority that the Conservative candidate contributed $200 to the general revenue of the Dominion of Canada. In the constituency of Yamaska a Liberal was returned with an increased majority, and in the constituency of Mackenzie a Liberal was elected wth a majority of 1,614. That was

the first time in twenty-one or twenty-two years that a Liberal candidate had been elected to represent that constituency. Then a provincial election was held in British Columbia; a Conservative government dissolved the legislature but when it reassembled after the general election a Liberal government was in office. That was a further indication to this government that they should seriously consider dissolving parliament and consulting the people.

On June 19, 1934, a terrible catastrophe—so far as the interests of the Conservative party were concerned—occurred in two widely separated parts of the dominion. In the province of Ontario a Conservative government dissolved the legislature, but after the election the Liberal party formed the government. In the province of Saskatchewan a Conservative government dissolved the legislature but after the election not a single Conservative was returned to tell the tale. Of fifty-five members returned fifty were Liberals and five belonged to the new party which is fast disappearing. Of those five only one was elected by a majority vote. We all remember the good old hymn:

> Time like an ever rolling stream
> Bears all its sons away—

Because of this there were three by-elections in the province of Ontario, and two other vacancies caused by the resignation of members. I am not going to mention the political complexions of those constituencies prior to the by-elections, which were held September 24, 1934, but as a result four Liberals and one very independent Conservative were returned. I submit that the day following those by-elections the government should have acquiesced in the logic of events, made an unconditional surrender and gone to the people. So in relating the political events of the Dominion of Canada in the last three years I am sure hon. members will agree that I did not use a very strong term when I said that this was a government of usurpers.

You know, Mr. Speaker, when rats know that the ship is sinking they drop their can openers and beat it by the short route. The ship of state of the Dominion of Canada has been bombarded from all sides for the last three years, but the captain and crew, instead of veering the vessel to port, made for the open sea. With regard to these by-elections to which I referred and the representatives returned to this House of Commons, in all humility I am going to make the statement that the most important and the biggest shot of all came from the constituency of Mackenzie. My reason for making that statement is that that shot not only did untold harm to the ship of state; it also ricocheted and knocked the block clean off an unnatural enemy of the state.

Now, Mr. Speaker, having related the political events that have taken place in this dominion since 1932, let us come to the conditions which exist at the present time. I submit that the government must go further than they have gone in order to assist the people and alleviate the distress which exists in many parts of the country to-day. I am referring more particularly to western Canada, from which I come. Every part of the country is well represented in this house; each member can speak for the part he represents, but I am now speaking for the province of Saskatchewan, and the conditions that prevail in that province are the conditions that prevail in the provinces of Manitoba and Alberta. We have had a period of depression lasting for five years. The farmers, who form the basic industry of the three prairie provinces, have not been able to make ends meet. That has not been through any fault of the farmer or the toiler; it has been because conditions have prevailed over which they have had no control. We must remember that many enterprises in this country have made profits and declared dividends even during the period of depression. The chartered banks and other financial institutions have been declaring dividends since 1930. Of course they declared dividends prior to that time, but I am not going beyond 1930, when the depression began. Even in 1932, probably the poorest year in Canadian history, the chartered banks and financial institutions of this country declared dividends while the farmers were declaring losses. The farmers are not able to make ends meet; they cannot meet the obligations they incurred during days of prosperity. Something must be done to help those people, and I submit that before dissolution of parliament the government should do more than it has done in the past. I do not speak in any spirit of criticism, because undoubtedly the government has experienced difficulties since attaining office in 1930. I submit, however, that they could have done more than they have done. It is inevitable that the debts of the country are not going to be paid one hundred per cent. I believe I made the same statement when I spoke last year in the debate on the budget. What can be done? I submit the government could do something, and that it would not be necessary to add one cent to our public debt. When I make these

observations I mean there must be an adjustment of debts.

The statement may be made that legislation was passed last year which would have the effect of helping people who are in debt and who wish to make settlements of those debts. The farmers throughout the country are an independent class of people, a condition which I believe is only natural when we realize that day in and day out they are communing with nature. They are men of honour; they are men with every desire to meet the obligations which they have incurred, and they do not ask reductions or anything else. However when those farmers are placed in a position where they cannot meet their obligations then I submit it behooves the government, and every person in a position to do so, to render assistance to those people by making it possible for them to meet their obligations.

The Cooperative Commonwealth Federation have a platform. Of course their platform changes with every new moon, but since that party came into existence there is at least one plank they have always had, namely the statutory settlement of debts. I submit that is the only way to assist the farmers. Although giving the Minister of Finance (Mr. Rhodes) due credit for the legislation passed during the last session, I must say that when the farmer has to prostrate himself before his creditor, when he has to make an application to an official receiver in order to bring himself and his creditor together for the purpose of making satisfactory arrangements, he is placing himself in an undesirable position. Under conditions such as I have described, conditions over which the farmer has no control, there should be a statutory declaration on the compromise of debts, and debts should be classified. That is the only way in which settlements can be properly made, namely by statutory regulation.

Speaking of the classification of debts, may I illustrate by some further observations. There is an old saying that every tub must stand on its own bottom. Let us consider the man who has borrowed $1,000 in cash and given security by way of a mortgage on his homestead. I say that $1,000 should be paid. Some arrangements should be made with regard to interest. I will go farther and say that since the year 1930 any man who has been able to pay interest on his indebtedness —and if he has done that he has done well— a portion of that interest should be credited by compromising on the interest and reducing it to a rate not higher than five per cent. On the other hand if a man sells me a quarter section of land, and by selling me that quarter section makes a profit of $1,500, then I say that not only should the interest be adjusted but the profit he made on that transaction should be compromised as well. I use that illustration so that hon. members will understand what I mean, namely that the debts should be classified.

I am not going to say any more about debts: possibly all of us talk too much about them. May I now come to another matter which in my view is of extreme importance to the people of Canada, namely the reform measures, some of which have already been introduced by the government. In all fairness may I say that those reform measures are not being received very cordially by the people throughout the country. At least after giving them serious consideration the people are not very enthusiastic about them. According to a biography of the Prime Minister which I read only a short time ago I believe he is the type of man who undoubtedly attended Sunday School in his early years, and for that reason must be conversant with the bible. When they were starting out on a great reform program which was to replace the order that has been in existence for three or four centuries they should have gone back to Holy Writ and endeavoured to obtain some assistance therefrom. From that book they should have taken a guide which could have been followed in forming their reform legislation. Why did they not take a lesson from the life of Jacob, for example? We read that at one time Jacob was travelling from Beersheba to Haran—and by the way, he travelled by aeroplane, and that was about five thousand years ago. I say that because the good old book tells us that he landed on a certain place, and for that reason I judge he must have travelled by plane. Anyway, we learn that after the setting of the sun he landed on this certain place, and being very tired prepared for himself a bed. He took a few stones, placed them together, used them as a pillow, went to sleep and had a dream. He dreamed he saw a ladder reaching from earth to heaven. This was not a ladder reaching from earth only part way to heaven; that would have been a mockery. That would have been inadequate—it was a ladder reaching all the way from earth to heaven. I submit that if hon. members of the government when framing this legislation had considered the dream of Jacob their reform measures would have been entirely different and would be adequate to meet existing conditions. Were that the fact the results of the reforms introduced would reach beyond this chamber and into the cottages of the men in distress and those people for whom the reform mea-

sures are being placed on our statute books.

At the outset may I say that the policies and platform of the Liberal party are always fresh and up to date. It is the only party in Canada to-day in a position to meet the requirements of the hour and the demands of the future. Even if elected, is the party in the corner of the chamber in a position to alleviate the existing distress? Is it in a position to place on the statute books of Canada legislation which would be sufficiently effective? I submit they are not in that position. In the year 1932 the Cooperative Commonwealth Federation came into existence. It had its birth in the city of Calgary in the last days of August, 1932. While in session over a period of two or three days they framed a platform, and I must say that for a period of time I had sympathy with that platform.

Mr. LAPOINTE: Shame.

Mr. MacMILLAN (Mackenzie): Yes, I had sympathy. I am sympathetic towards everything, but that does not mean that I will support everything. I am sympathetic towards the man who is lost spiritually, politically and otherwise. The platform of the Cooperative Commonwealth Federation received a great deal of consideration and thought in western Canada. I know it did in that portion of Saskatchewan from which I come. The fundamental difference between the platform of the Cooperative Commonwealth Federation as it originated in Calgary, and the platform of the Liberal party was the stand taken on the land policy. many parts of our platforms were in common, and it would be impossible to have conditions otherwise. The Liberal party has much in common with the Conservative party; that is inevitable. On land matters, however, platforms of the Cooperative Commonwealth Federation and the Liberal party are not in common; in fact that was the fundamental difference between those two parties. It is not necessary for me to elaborate on their land policy, for every member of the house knows as much about it as I do. They were going to give assistance to people who were in debt; those people in return were to transfer their land to the government if the party attained office, and the owners were to become tenants. Now suppose such a thing were to happen that the Cooperative Commonwealth Federation should come into office as the federal government of Canada and put their land policy into operation; what effect would it have upon the people? The great Sir Wilfrid Laurier, whose name has gone down to imperishable renown, speaking in the city of Montreal fifty years ago, said that property rights and property possession were the most sacred things belonging to the individual. But would it remain that way if this policy of the Cooperative Commonwealth Federation were to become operative? I submit that it would not. To become a tenant I submit that a man would have to surrender entirely his spirit of independence. We are not unmindful of the sad and bitter experience of the first tenant known to us in history, that of the Adams' in the garden of Eden. Because of one single violation by one of the tenants of one of the covenants in the lease, the whole family was expelled from the garden. I sometimes think that there must have been a cooperative commonwealth federation group in existence at that time and that it was the leader of the group who found his way into the garden and beguiled the tenant.

If the policy of the Cooperative Commonwealth Federation were carried out, we would lose all property rights. I have here an article which contains an extract from Morgan's Ancient History, as follows:

> The idea of property was slowly formed in the human mind, remaining nascent and feeble through immense periods of time. Springing into life in savagery, it required all the experience of this period and the subsequent period of barbarism to develop the germ, and prepare the human brain for the acceptance of its controlling influence. Its dominance as a passion over all other passions marks the commencement of civilization. It not only led mankind to overcome the obstacles that delayed civilization, but to establish political society on the basis of territory and of property. A critical knowledge of the evolution of the idea of property would embody, in some respects, the most remarkable portion of the mental history of mankind.
>
> Independently of the movement which culminated in the patriarchial family of the Hebrew and Latin types, property, as it increased in variety and amount, exercised a steady and constantly augmenting influence ir the direction of monogamy. It is impossible to overestimate the influence of property in the civilization of mankind.
>
> The growth of the idea of property in the human mind commenced in feebleness and ended in becoming its master passion. Government and laws are instituted with primary reference to its creation, protection and enjoyment.
>
> The growth of property is thus closely connected with the increase of inventions and discoveries, and with the improvement of social institutions which mark the several ethnical periods of human progress.

I submit, Mr. Speaker, that if that land plank in the platform of the Cooperative Commonwealth Federation party were to become operative in this country, before the present generation would pass away we would be reduced to the condition of the nomadic wanderers, upon the primeval plains.

Strange and devious are the paths of history. The Cooperative Commonwealth Federation had to pass through the fiery furnace of affliction, and during the year 1933, as I have already mentioned, they fought strongly in the constituency of Mackenzie. It was their best fighting ground, and they met with defeat. Then in the provincial elections in Saskatchewan on the nineteenth of June last they were practically put out of business, only five being elected out of fifty-five, and four of them by minority votes. They began to see that they were human like everybody else. They were very anxious to attain office.

Then what happened? At their convention held in the city of Regina in the year 1933 many of the farmers were opposed to nationalizing the land. The farmers were in favour of nationalizing the banks and every other enterprise except themselves. They expressed themselves very strongly in the matter, and I believe the hon. member for Vancouver South (Mr. MacInnis), who was an active participant in that convention, lost his temper. I am only surmising that, but when I read the statement that he did make I cannot imagine that it would be made under any other conditions than that his mind was agitated and that he was not quite normal.

> If the farmer wants a cooperative commonwealth in which everything is socialized but himself, he had better have a cooperative commonwealth of his own.

I would not make that statement unless I was somewhat agitated—offended. He went on to say:

> If the farmer is anxious to benefit from the cooperative movement he will have to come half way.

I do not know what is meant by "half way," whether he meant that the farmer should allow half of his possessions to be nationalized and the other half not, but that was the statement of the hon. gentleman, and I admire him for the ground he took; he was sincere. He was espousing principles and policies in which he believed and he wanted to stand his ground. He had said:

> If the farmer wants a cooperative commonwealth in which everything is socialized but himself, he had better have a cooperative commonwealth of his own.

He was quite right. When fate was deciding against the Cooperative Commonwealth Federation party, when they were losing all their elections, they had a convention in the city of Winnipeg last July, and I just want to show you, Mr. Speaker how the influence of that party has dwindled. At every convention they have a group photograph taken; it is the most important business of their convention. I have here the photograph that was taken of the group in the city of Regina. They sat there on July 19, 20 and 21, 1933. I do not know on which of these three days the photograph was taken, but it was the day on which they all looked their best. I have counted the number in the photograph and I find that there are 198, so altogether there must have been 199 persons in the group, because I know that the hon. member for Weyburn (Mr. Young) made it his boast in this house last session that he attended that conference. I cannot see his physiognomy in that group, and what happened I think was this; that when the photographer was adjusting his camera my hon. friend from Weyburn started talking about sound money and somebody sat on him. Mind you, there were 198 people present. Subsequently the party met in the city of Winnipeg on the seventeenth of July last. Of course they had their photograph taken there also, and would you believe it, Mr. Speaker, there are only eighteen in the group; the number had dwindled in one year from 198 to 18. Of course, we have to allow a certain latitude because the city of Regina is not very attractive compared with Winnipeg, and no doubt in Winnipeg some of them were out taking in the sights. But regardless of attractions in the city of Winnipeg the fact remains that in Regina in 1933 there were 198 present in the group and a year subsequently in Winnipeg there were only 18. Compare that with what took place in the Chateau Laurier on the twentieth of last month. On that evening nearly a thousand souls met to pledge their loyalty and devotion to the Liberal chief. It can easily be seen which party is in the best position to administer the affairs of this country and to satisfy all the electors. There is only one party, the Liberal party. I am not taking the present Conservative government into consideration at all because for the last two or three years the people have decided that they are out or will be out as soon as they have the opportunity to put them out.

I should like to return to a discussion of the human element to which I referred a short time ago. These people have a very human weakness, they are anxious to get into office. As I said before, the fundamental difference between the two parties is the land policy. What happened last year at Winnipeg? They came to the conclusion that they were pursuing the wrong policy and they

decided whether or not that policy was in the interests of the people, they would forsake it for the time being. They decided to drop their land policy. The provincial elections which were voted upon in Saskatchewan on June 19 were fought on a platform containing a land plank, which was the chief issue. What happened at the convention when the agricultural plank was presented? This convention was held in Winnipeg last July. Mr. Hyman, a non-voting member of the convention but a member of the provincial legislature, declared that the plank, in its drafted form, was the weakest in the platform. This is the plank they had previously considered as being the strongest. He pointed out in a powerful speech that enemies of the C.C.F. had so worked on the psychology of fear of the farmers by misrepresentation that farmers were afraid of the name. Farmers as a class resisted socialization the world over to a stronger degree than any other class. Yet they wanted to nationalize the farmer. Here is the excuse this man gave, according to this article:

> The farmer's land was his most valuable possession and usually it was something he had wrested from nature and developed by the work of his own hands, and he did not want it taken away from him. The farmer feared what had happened in Russia. Mr. Hyman thought that the soviets action in dealing with agriculture had been its greatest mistake.

That was the opinion which Mr. Hyman advanced at this convention. However, the main thing to be considered by this house is the result. They all fell for this suggestion, even their leader, the hon. member for Winnipeg North Centre (Mr. Woodsworth). He is one of the few men in Canada who I think would never veer from a policy he was pursuing once he thought it was right. However, on that particular occasion he fell and the results are accumulating upon him with astonishing rapidity. This party is losing out in every part of Canada. The convention passed a new platform eliminating the land policy, and I shall say no more about what took place at that time.

Subsequently, on December 15, the hon. member for Winnipeg North Centre was speaking in Reston, Manitoba. The people were not yet satisfied; they had grave doubts that if the C.C.F. party was returned to office they would nationalize the land. The hon. member is reported in the Winnipeg Free Press of December 15, as follows:

> He advocated public ownership of all utilities such as water power, railways and banks, stating that the bad feature of the new central bank is that it is privately controlled.

In that we agree. The article continues:

> He stated the aim of the C.C.F. party is to bring about the kingdom of heaven on earth while we are living,—

I concede that, as many of the C.C.F. supporters are saying that this will be a long range program, that it will take many years to be brought into being, and it is quite likely that we will have to be born again, that we will have to return to our kindred dust when we are reanimated from the tomb to find the C.C.F. at the helm of state. When questioned as to whether they would nationalize the farms, the hon. member said, "no." He made that very emphatic. I shall say no more about the C.C.F. and their platform, as I see that my time is rapidly passing and I am sure the clock is right to the minute.

This group claims that they have no connection or association with the communist party of Canada. I believe that that statement is correct, but the fact remains that this Cooperative Commonwealth Federation is the best incubator that I know of for the hatching of communist ideas. What has taken place recently? The following appeared in the Western Producer of March 21:

> Parties Agree on Joint Aims
>
> To work together in a campaign of public meetings on three points, the Regina C.C.F. council and the communist party have come to an agreement.

This is the official organ of the C.C.F. for the province of Saskatchewan. The article continues:

> The three aims for which the two organizations will direct their joint activities are:
> 1. For the improvement of conditions of unemployed workers on relief.
> 2. Against forced labour and disenfranchisement, or partial disenfranchisement, of workers, whether employed or unemployed.
> 3. For non-contributory unemployment insurance.

The C.C.F. and the communist party are working hand in hand in connection with three issues. When the fox once gets his nose through the net, in a very short time his whole body is through. That is just what is happening. The communist party and the C.C.F. are working hand in hand on these things and in a very short time the communist party will be in control. I give my hon. friends in the far corner this warning.

This party is preaching peace day in and day out. The other day we heard a very brilliant speech in this chamber by the hon. member for Labelle (Mr. Bourassa). It is unfortunate that the hon. member is as old as he is, as I should like to see him one of those of whom it is said, "Millions now living will never die."

Mr. BOURASSA: That is too long.

Mr. MacMILLAN: A resolution was passed at this convention in Winnipeg in favour of peace. They said they were not going to send their sons across the Atlantic ocean to fight the battles of civilization. They said they were not going to participate in the battles of Europe regardless of what country might be involved, but listen to this report of what happened at the conference:

Willingness to leave Canada's shores to fight was expressed by E. Winch, British Columbia M.L.A., but he emphasized that it would be only to defend socialism against capitalism.

I believe the communists are getting the better of them; they are too easy going and I warn them to be careful. I would hate to see my hon. friend, the hon. member for Winnipeg North Centre, in the ranks of the communist party. I do not think he belongs there, as he looks more like one of those priests who used to adorn the ancient temple with the oil flowing down his beard rather than a meandering marauder with a scalping knife and a tomahawk concealed on his person. The article continues:

Everyone had a responsibility to fight when soviet Russia was threatened with attack by capitalist powers in his opinion.

That sentence is pregnant with admonition for every hon. member in this chamber. They did not repudiate that statement and there is nothing in the press to indicate that they did. If they had repudiated it I should have as much confidence in them now as I had when they came into existence in 1932.

The acting leader of the government is in the house and for his benefit and the benefit of his colleagues I will read a letter that appeared in the press a short time ago. I have a feeling that after I have read this letter the right hon. gentleman will put his hand over his intrepid heart and with all emphasis announce, "The recess is off; we will go on with the business of the house, sitting steadily until the proposed reform measures become law."

I quote the following:

Kitchener, Jan. 14.—The following business letter regarding a mortgage recently arrived at Waterloo from a southern Saskatchewan farmer:

"Received your notice calling for payment of $6,238.92. Some figures. this amount has grown from $4,000 in 1928, our last crop. This is certainly some racket. I wish I could make money as fast. Your offer of giving $2 for every dollar paid on interest arrears is a step in the right direction, but of no avail, as we have had no crop this year to pay anything, so you can put a few more figures on for next year; they look nice, anyway. You will soon have it up to $10,000 on paper and on paper it will remain unless you make a real adjustment of balance and give me a definite amount to pay, not one that grows by leaps and bounds like a baby elephant."

The writer said the original loan, when assumed by him was $6,000. He said payments made totalled $8,355.96, "and according to notice I still owe you more than I originally did. I may be dumb, but what I would like to know is, who the h— owns the place?

Many hundreds of farmers in western Canada could justifiably write letters of a similar nature. It is evident that an immediate move is urgent.

We all regret the absence of the Prime Minister from this chamber owing to illness. There is a pall hovering over the chamber and it is of as deep a hue on this side as on the other. We are all aware of the exceptional abilities of the Prime Minister; they are in evidence every day we see him at his desk. He works hard and we all recognize that his integrity is like a fixed star—the darker the night the brighter it shines. I might appropriately apply to the Prime Minister the words which Charles James Fox employed with reference to George Washington:

The breath of censure has not dared to impeach the purity of his conduct, nor the eye of envy to raise its malignant glance to the elevation of his virtues.

We sincerely hope that he will be back in this chamber in a very short time because, since his absence, the government has been like a rudderless vessel on an uncharted sea.

Now Watchman, what of the night? In a few more weeks we will be fighting the battle of democracy. We on this side of the house are of good cheer.

Mr. A. E. MUNN (Vancouver North): I wish to support the amendment because, coming from the Pacific coast, I naturally object to the proposed adjournment; it is not convenient for the members from British Columbia. If there were to be the ordinary adjournment of two or three weeks we would not mind, but we object to an adjournment of five weeks. It takes almost a week to go and a week to return and that is too long a journey for the sake of three weeks at home. It is a hardship and I am opposed to the long adjournment.

Several members on the other side of the house have discussed the lumber situation more or less. A short time ago the hon. member for Toronto-Scarborough (Mr. Harris) proposed a resolution in connection with the Ottawa agreements. In this house, during the session of 1932, I spoke opposing the treaties and I gave my reasons, from the point of view of a lumber man. I have been in the lumber

business all my life, and at that time I pointed out that we were making a mistake in connection with these agreements, because the lumber business in this country would be ruined. Let us see what our trade has been so far as lumber is concerned. In the nine years prior to 1932 we were importing from the United States, in round figures, $11,000,000 worth of lumber. That is just lumber, and does not include shingles or any of the products of wood. Most of that lumber was expensive hardwood for furniture, and our average of importations was $11,417,000 per annum. Those were our average imports for nine years. In the same period our exports of lumber to the United States averaged $40,665,000 per annum, so that we had an advantage of almost four to one.

In the 1932 session, on October 27, page 672 of Hansard, I gave figures showing our exports and imports, and at that time I went on record as being opposed to the Ottawa agreements for the reason that we were simply making trouble for ourselves and would lose a market that had been the backbone of the lumber business in Canada for all time. No one can deny that statement; it is absolutely true. I made that speech on October 27, 1932, and on November 15 I received a letter in which this statement appeared:

It seems to me this contains—

"This" was a copy of the speech which I sent my correspondent, asking him for his criticism.

—more information pertinent to conditions in the lumber industry than anything yet stated in the dominion house.

In 1934 I went on record again as opposed to the agreement. On May 14 last I said:

Speaking in this chamber on October 26, 1932, I made the statement that in my opinion the lumber business in Canada would not get back to anything like normal conditions until we got back into the United States market. For years the Pacific coast states have been asking for a higher rate of duty or tax on Canadian lumber going into the United States, but until 1932 they could not get Washington to act. During 1931 and 1932 a very strong lobby movement was engineered by the Pacific coast states to raise the tariff or put a tax on Canadian lumber imports into that country, and finally the argument was advanced that through her imperial conference treaties Canada was raising her tariffs against the United States, through preferences granted to other countries. Let me quote some of the statements which were made in Washington in support of the proposed increase in the tariff or tax on Canadian lumber. The Pacific coast lobbyists made a very strong move for the imposition of extra tax, or duty, whichever you choose to call it. As evidence of the points I have made I shall read from the proceedings before the Senate finance committee on the Revenue Act of 1932.

Then I went on and quoted the evidence; it is here in Hansard of May 14, 1934, and it is not necessary to repeat it. I gave the names of the senators and others who testified before the committee in Washington. That was their argument all the way through, that British Columbia was getting a preference in the United Kingdom and at the same time was doing more business with the United States than with the United Kingdom.

Prior to the enactment of this tariff or excise tax and the granting of the ten per cent preference, there was a time when more lumber was shipped from Oregon and Washington to the United Kingdom than from British Columbia. Now of course with the ten per cent preference we have been able to get practically all the lumber business of the United Kingdom formerly held by Washington and Oregon, but in the meantime we have lost the United States market. I should like to give the figures. I am sorry the Minister of Railways (Mr. Manion) is not in his place, because I wish to show him how careless some of these statements are. I do not altogether blame these gentlemen; I think the information they get is often incorrect. For instance I have here some information that was supplied to the Prime Minister (Mr. Bennett) from H. R. Macmillan, one of our biggest lumber exporters in British Columbia; the picture is simply misleading, but one cannot blame the Prime Minister. I do blame Mr. Macmillan, who is supposed to be a lumberman, although he is not a practical lumberman; he is a lumber dealer. Presumably the Minister of Railways got his information from the same source. He said, speaking in this house on March 27 last as reported in Hansard at page 2158:

Then in regard to lumber may I say that I have before me a report from the British Columbia Lumberman, the official journal of the British Columbia lumber industry. This report is dated January, 1935, only a couple of months ago and from it I intend to quote only one sentence. They say:

"The exports of British Columbia lumber in 1934 easily beat all previous years with a total of 860,000,000 feet board measure."

That included not only exports to the United Kingdom but all exports. It continues:

"Note how gains in empire trade have more than compensated for the loss of the United States waterborne trade. More lumber was exported to the United Kingdom alone last year than was ever shipped by water to the United States of America in any twelve monthly period."

Now, Mr. Speaker, any lumberman or any boy who knows anything about lumber knows that practically all our shipments to the United States go by rail. What lumber would go

to the United States by water from Canada? It would not be shipped from Ottawa or Montreal by water. At least ninety per cent goes by rail, so that that statement is very misleading. I have here the figures of shipments from British Columbia. I have heard so much of the all time record of lumber shipments from British Columbia. It is true we have been getting some business, and we are very glad to have it; if we had not had the United Kingdom business things would have been worse, but they have been bad enough. If you speak to any lumberman out there he will tell you: We are doing a little business but we are not making any profit. That is absolutely true. The reason we have been able to get the business as against the United States is the ten per cent preference; I grant that. As to the reason why there was a little more business than usual, you will remember that two or three years ago in Great Britain they started a building program to the amount of £50,000,000, but that money is nearly all spent now, and we shall be lucky if our shipments hold up to the average of the last two years, unless they go along and spend another £50,000,000. We are extending our markets in some other directions, but not to any great extent as compared with former years. For instance in 1929 the total shipments to empire markets, which includes the United Kingdom, amounted to 160,000,000 board feet. For the following year the shipments in round figures were:

	Board feet
1930	171,000,000
1931	162,000,000
1932	251,000,000
1933	428,000,000
1934	633,000,000

Of the latter figure, 455,000,000 went to the United Kingdom. That year is an all time record. But the United States shipments have practically disappeared. In 1929 they were 654,000,000, a little more than our total exports to the whole British empire during 1934. Then they dropped, as shown by the following figures:

	Board feet
1930	579,000,000
1931	308,000,000
1932	101,000,000
1933	25,000,000

I have not the amount for 1934, but I imagine it will be much less than even 25,000,000. So while we did get some more business from the British empire, we have lost our American business.

[Mr. Munn.]

Here are the facts in a nutshell. The average price received in British Columbia for lumber during 1929 was $18.50 per thousand feet, loaded on cars or ships. In 1934 it was $13.50, or $5 per thousand feet less. Then as to quantity, this is the picture: the production in 1934 was 52 per cent of the amount we produced in 1929. Yet they tell us that the lumber business in British Columbia is flourishing. I think that is all I have to say about the lumber situation.

We not only suffered in lumber, but the copper industry suffered. We were led to hope that there would be a preference given on copper. We have an extensive copper mining industry in British Columbia and it has certainly had a hard time. The Ottawa agreements gave no relief whatever; on the contrary I think they worked against it.

I am glad to see that the Superintendent General of Indian Affairs (Mr. Murphy) is in his seat, because I want to say a few words on behalf of the Indians in Canada, and I hope the minister is listening. There are several Indian reserves in my riding, and I should like the job of straightening out the Indian agents who are supposed to be looking after those Indians. A few years ago at Alert Bay there was an Indian agent named Halliday. He lived very close to the settlement, and was a wonderful success as an Indian agent. A short time ago he was superannuated, and I regret to say there are very few Indian agents in British Columbia in his class. I know several of these agents; they are well paid for their work, but they are not doing it. Instead of getting around, helping and encouraging these poor Indians and setting them some kind of an example, they pay no attention to them whatever. I know whereof I speak, and I think the carelessness of the Indian agents in connection with the administration of Indian affairs in this country is nothing but a crime. I think every one of these men should be fired. Those who are competent and capable of doing the work could be put back on the job, but many of them should lose their jobs at once. The minister has paid no attention to what I have said, but perhaps he will read my remarks in Hansard.

Mr. MURPHY: I beg the hon. member's pardon; I heard every word he said.

Mr. MUNN: I am very glad the minister was interested enough to listen, because I know whereof I speak. There is an Indian

reservation at Pemberton. Those Indians have a very fine tract of land; all they need is a little encouragement and cooperation, but the agent very seldom goes there himself. He sends some understrapper who lords it over these poor fellows so they get no satisfaction whatever. This is a serious matter and I think something should be done to straighten it out, perhaps not in connection with the Indian department itself but in connection with the treatment of the Indians. They are entitled to fair, human treatment which they are not getting so far as my riding is concerned. Close to Vancouver we have what is known as the Squamish valley, in connection with which I have had considerable correspondence with the department, since there is quite a large Indian reserve there. I wrote the minister from Vancouver on July 25 last. I am sorry to have to put this on Hansard, but really there is only one way to do business and that is along business lines. I wrote as follows:

For your information I am enclosing a reference to the Squamish river published in the Vancouver Daily Province on the 25th instant.

I happened to be at Squamish a few days ago and went to the trouble of looking over the flood situation at that point and I have come to this conclusion, that your Indian agent is neglecting his duty. There is a lot of land in the Squamish Indian reserve being washed away, and in order to correct the situation it would only cost possibly at the outside $1,000.

Unless something is done to protect the river bank there is liable to be serious damage and my private opinion is that you should instruct your agent in charge of that reserve that you have a report with a view to protecting not only the Indian reserve land but the other lands tributary. This is really serious and should have prompt attention.

The minister acknowledged receipt of my letter on July 31, saying he had asked for a report. Then I heard nothing further until February of this year, when I wrote the minister as follows:

In July, 1934, I wrote you from Vancouver pointing out a very serious flood situation at the above mentioned river in British Columbia. At that time you acknowledged receipt of my letter and stated that you would have the Indian agent secure a report for you and when it was received you would write me again. To date I have heard no further word from you.

At that time I did not get my information in regard to conditions sitting in an arm chair in some sort of office or at some hotel. I put on old clothes and a pair of rubber boots and walked miles to personally acquaint myself with conditions and decide what should be done. I have been associated with woods operations in connection with lumber all my life, and naturally have had some experience in the handling of water in rivers.

I may say that one poor fellow lost his land and his house, and when I was there last July all he had left was the garden gate and a little piece of fence in front of his farm. To-day there is a very serious situation at that point; the property not only of the Indians but of other persons as well is being washed away, and the river is running wild. One poor fellow sends me a letter in which he complains that his fruit trees and even his poor old horse and buggy have been washed down stream. No one paid any attention; no one tried to help him out. There is a real danger at that point, where there are two rivers and the soil is very light. There is a town of perhaps five hundred people at that point, and there is danger that some day that river will take the whole town into the ocean. A very small expenditure for river bank protection would remove any possibility of danger of that kind. I do not entirely blame the Indian department, but in cooperation with the provincial government and the Pacific Great Eastern railway I believe they should do something to protect both the Indians and the white people living in the Squamish valley.

I do not want to take up too much time, Mr. Speaker, but I should like to say a word with regard to tariffs. We have heard a good deal with regard to high tariffs and low tariffs. It is no wonder that we in the west are against high tariffs because we suffer and pay because of them. I have a statement here which appeared in the Financial Post of September 1, 1934, showing the net cost and the net loss or gain from the tariff, as follows:

	Benefit from tariff	Cost of tariff	Net loss or gain	Net L or G per capita
	$	$	$	$
Prince Edward Island	467,992	2,042,150	L 1,574,158	L 17.88
Nova Scotia	9,488,493	15,784,123	L 6,296,631	L 12.28
New Brunswick	8,126,059	12,891,077	L 4,765,118	L 11.67
Quebec	132,867,447	101,171,562	G 31,695,885	G 11.03
Ontario	220,722,484	168,732,723	G 51,989,761	G 15.15
Manitoba	19,910,971	29,185,740	L 9,274,769	L 13.25
Saskatchewan	3,274,950	29,228,285	L 25,952,335	L 28.16
Alberta	8,211,148	27,909,396	L 19,698,249	L 26.93
British Columbia	22,378,571	37,737,247	L 15,358,676	L 22.33
	425,448,115	424,880,384		

I shall not take up further the time of the house.

Now that the Prime Minister is on the way to recovery I sincerely trust his improvement will continue, that he will be able to attend the jubilee celebrations and return in fit physical condition to continue with the business of the house. Before taking my seat I would urge that instead of asking for an adjournment of five weeks the time be shortened to three weeks; surely that would be sufficient. Three weeks' time should be long enough, and at the end of that time we could proceed with the remainder of the work of the session and then return to our homes where we could do some real work.

Mr. ROBERT McKENZIE (Assiniboia): Mr. Speaker, by their latest action the government are running true to form, because ever since they have been in office they have run contrary to public opinion. I am satisfied public opinion throughout the country is not favourable to a long adjournment which is asked for no apparent reason. Some excuses have been given, but that is all. The Canadian people want an election, and surely in the face of what has been said in this chamber, and particularly after the observations of the new members who only in the last few months have come from their constituencies, the government will realize that an election should be called. I believe the results in those by-elections furnish sufficient evidence that the government has lost favour with the people and as soon as possible should appeal to them.

Hon. members on this side of the house are at a loss to understand why the government cannot realize the fact that they have been a dismal failure. The budget brought down only a short time ago by the Minister of Finance (Mr. Rhodes), which indicated that in the four and a half years this government has been in power the national debt has been increased by $669,900,000, should be sufficient proof of the fact that this government has not functioned properly. In reality, from the time the present government took office until this date, the national debt has been increased by over $800,000,000. Do hon. members realize what that means? It means that in each and every year hon. members opposite have held power we have added about $160,000,000 to our national debt. The people are asking, "How long can we keep up? How long can we continue to borrow money to pay interest on our debts? How long can we continue to pile on more debts?"

But this is not all. In addition to increased debts we find that in every possible way taxes have been increased. Since taking office the present government have increased the sales tax from one per cent to six per cent; they imposed an import tax of three per cent on all commodities entering the country, and they imposed a sugar tax of two cents per pound, which was later reduced to one cent per pound. A return tabled in this chamber about a week ago indicated that increased taxation since this government took office had brought in the following revenues:

Increased tax against tea, 1931..	$5,658,181
Increase to newspaper postage.. ..	952,251
One per cent tax on net premiums received by insurance companies	2,273,034
Automobiles..	537,128
Oranges..	4,874,138
Canned fruits..	1,083,195
Canned vegetables..	293,342
Hops..	562,193
Seeds..	878,189
Cheques..	906,405
Telegrams and long distance telephone calls..	2,737,810
Railway sleepers..	1,129,017

In addition to these increases in the national debt we have taken from the pockets of our people by taxation the sums I have indicated. I have not the figures showing the amounts received from the sugar tax, the sales tax, the import tax and several others which were imposed.

Let us contrast these conditions with those obtaining under the Liberal regime prior to 1930. In each year for a period of seven years the Liberal party brought about a reduction in the national debt and a reduction in taxation. These facts have been set forth earlier to-day, and for that reason I shall not dwell upon them at this time. One remarkable fact so far as I am concerned is that despite the fact we are plunging into bankruptcy—and I use the word "bankruptcy" advisedly because undoubtedly we will reach that point if we keep up the present pace much longer—we find that the present government is from year to year increasing salaries and pensions.

On March 6 last a question standing in my name was passed as an order for return. On that occasion I asked how many appointments had been made by the civil service commission or by the government since July, 1930, at salaries of $5,000 or over. I asked for the names of those appointees and the positions they occupied. I asked, further, for the names of all civil servants and government employees outside of the civil service who had been given increases of salaries of $500 or more

since July, 1930. This afternoon, when making an inquiry for the return, I was astonished by the statement of the Secretary of State (Mr. Cahan) to the effect that the answer was very voluminous and that some time would be required before the information could be brought down. I want the house to understand that the order was passed on March 6, and that we have now reached the 9th day of April. If in five weeks the government cannot bring down a return showing the number of names of certain employees I would say the number must be very extensive. I cannot understand why a period of five weeks should be required unless the number is such that it should be revealed to this chamber and to the country.

Mr. CAHAN: Would the hon. member permit me to make a statement? The preparation of his return entails the searching of many documents. Many other returns are equally voluminous. All I can say is that we have not the assistants necessary to prepare all these voluminous returns in a week or ten days.

Mr. McKENZIE (Assiniboia): If it is so voluminous, that is all the more reason the government should resign, and not drive us into bankruptcy by employing so many additional employees at salaries of $5,000 or over.

Mr. CAHAN: That is not a fair criticism.

Some hon. MEMBERS: Order.

Mr. CAHAN: In order to obtain the information required, a search of fifty or sixty thousand names is necessary.

Mr. McKENZIE (Assiniboia): You had five weeks to do it, and yet to-day you say it cannot be presented for some time.

Just while I am on that question of salaries, permit me to say that speaking in this house on February 26 last I made mention of the question of salaries and pensions. One of the local papers in the city of Ottawa rather took exception to what I stated then, and attempted to show that I was talking about the civil service superannuation fund. I made no reference whatever, Mr. Speaker, to the superannuation fund, and I do not think we need raise any objection to that because the civil servants pay for their superannuation themselves, and they are entitled to it. Nor did I make any reference to soldiers' pensions. But I did refer to certain other pensions, and I would ask the members of the government to turn to page 22 of the estimates of this year and state whether or not they think that the list of pensions provided in the bottom half of page 22 and on all of page 23, amounting to something over $300,000 a year in payment of pensions to ex-judges, is really justified under conditions as they exist in Canada at the present time. The number increases year by year. These pensions run, very many of them, from five, six and seven thousand dollars to as much as twelve thousand dollars a year. I do object to pensions of that kind, and that is what I was referring to. These judges do not pay one dollar while in office to help pay for the pensions which they draw.

There is another thing. This government employs officials, such as the members of the tariff board, at exorbitant salaries, and after they have served a certain number of years they draw pension equal to half of their salary. One of my colleagues mentioned last night the salaries paid to the men in charge of the Bank of Canada. The governor of that bank I believe draws a salary of $30,000, his assistant $20,000, and another assistant $10,000, while the men who do the work are probably drawing from $1,200 to $3,000. That is the thing I object to, and I say that sooner or later this country must come to grips with that problem. This country cannot afford to go on paying pensions at exorbitant rates without receiving something by way of compensation for the donors. It will have to stop.

It is unfair in another respect. In the constituency that I represent in this house there are some ten or twelve lawyers living in the little towns and villages, maintaining an office and employing probably at least one stenographer at least a part of the time, paying their taxes, and doing their duty to the community as they should. Those men, in spite of the fact that they are maintaining an office and giving part time employment at least to one employee, would be pleased indeed if they thought they had $100 a month to themselves. I believe there are plenty who do not make that. Then why in the name of heaven should we pay a pension five or six times the amount that these men could earn if they were out in private practice, and give it to them for nothing whatever? It seems to me that if the country were seized of what is going on in that respect they would not stand for it any longer. I intend as long as I can to raise my voice in this house in protest against these pensions.

I do not think that the members of our tariff board, who are engaged at enormous salaries, the chairman at $15,000, and the other two members of the board at $10,000 each—they have nothing to do; they are afraid to

do anything; the only one judgment they handed down that would be of any benefit was appealed by the government and the decision of the board reversed, so they are there for nothing—I do not think they should, after they have served a few years, draw half their salary by way of pension without paying anything towards any pension fund. A few years ago a Liberal government established an annuities branch in the city of Ottawa, and I believe it is a very fine thing. It seems to me that these men who are drawing such enormous salaries should be able to buy their own pensions. By the payment of a few dollars they could provide a pension for themselves, and surely a man who is drawing from eight to thirty thousand dollars a year should be able to pay a few dollars into a pension fund in order to be able to provide a pension for himself.

It is also very unfair to the people who are paying the taxes of this country. I come from a part of the country where there is real hardship. I had a letter today from a lady in one of the towns of my constituency, who said that through the past winter she was drawing $9.50 a month for some work she was doing, taking care of a building in the town, and with that $9.50 a month she kept five of a family off relief. Now when people are existing under such conditions as these, why should they be called upon to pay a cent a pound on all the sugar they consume? Why should they have to pay these high taxes on tea and other necessaries in order to provide pensions of five and six and eight and ten thousand dollars a year to men who neither paid for not earned them? I say that it is very unfair indeed. This government of course will say: Oh, well, that has been going on for years, and it is not only this government that is doing it but other governments have done it as well. I realize that that is true, but conditions at the present time are such that we must not continue to do it any longer.

During the recent budget debate, supporters of the government in their speeches endeavoured in the first place to lay the blame for the loss of trade since 1930 on the previous government. Let us see to what extent that is true. I have here a statement of the trade of Canada with all countries by fiscal years, and I find that in the year 1930 our imports amounted to $1,248,273,000, and our exports in the same year amounted to $1,144,938,000. In 1934 our imports had fallen to $433,776,000, and our exports had fallen to $585,680,000. When this government came into power our total trade was almost two and a half billion dollars. Now it has fallen below one billion dollars, but this government will try to prove that business had fallen off before they came into power.

Another thing which this government always stresses is that there was a favourable balance of trade of some $115,000,000 during the past year. Well, Mr. Speaker, I think possibly one of the reasons why our imports have fallen down to $433,776,000 is because of the action which this government took in raising the tariff as they did, which prevented goods from entering this country in the first place; and a second reason for the fall in imports is that our working men and our farmers have no income with which to buy the goods even if they were imported. That is why imports fell off to the extent they did. A favourable balance of trade does not mean very much. I would rather have the volume of trade as it was in 1930.

Certain hon. members have made the statement from time to time that Canada has come through the depression better than other countries. I would like that to be true, but when we consider how business has fallen away during the last five years, how revenues have decreased, how debts have increased and how everything possible to be taxed is taxed, how can we say that this country has come through the depression? A week or so ago there appeared in Ottawa a delegation of mayors from cities all the way from Halifax to Vancouver. I should like to repeat some of the statements made at their meetings, which I think are conclusive proof that we are far from being through this depression. It was stated that unemployment relief constitutes a national emergency. It was said that the municipalities are facing bankruptcy and that the country was in the direst distress. These mayors are close to the people and these are some of the expressions which were made at their meetings. They claimed that the depression is not less than it was, it is greater. For the first time the actual facts are now available to hon. memers. We were told that there would be no want in Canada, but there is want. These men were talking about the conditions in the cities, but how much worse it must be in the rural areas. I do not think the government of the day has kept its finger upon the pulse of public opinion, especially when such statements as these are made. If this government puts its program into effect and appoints many more boards we will be into bankruptcy much sooner than anticipated.

What does the government expect that people who have not worked eight hours in any day for the last four or five years will think of legislation for an eight hour day or forty-eight hour week? This matter took up considerable time a few weeks ago, but in my opinion the time is not opportune for such legislation. It might be all right if things were normal, but they are not. What does a man who has no work care about minimum wages or maximum hours? All he wants is some work and he is not particular as to the number of hours. I do not think there is much need of this legislation at the present time. I expressed my opinion of the unemployment insurance measure when it was before the house earlier in the session. I do not think the government expects that this legislation will be ever put into force, and it will be a good thing for the country if it is not. The Prime Minister has told us that the cost will be between $6,500,000 and $7,000,000 per year.

One measure was passed by this house which I believe will prove to be of some benefit to the community I represent. I refer to the amendments to the Canadian Farm Loan Act. What is going to happen to this legislation? It passed this house over a month ago but it has not passed the senate. Is this house to adjourn for five or six weeks without this legislation receiving royal assent? I receive letters almost every day asking for information in connection with this act. People want to know when they will be able to get money under the provisions of this measure, but I have to tell them that for some reason this bill has not passed through the senate. Perhaps the government could throw some light on the rumour going about to the effect that there is to be no money made available for the dried out areas of southern Saskatchewan, Alberta and Manitoba.

The government has given as a reason for a five or six week's adjournment that they must prepare legislation made necessary by the report of the price spreads commission. I contend that the government knows at this minute—if it does not know it can find out by inquiring from any daily newspaper in the country—what the legislation is going to be. It is intended that four or five boards will be appointed, and that is all that is to be done. Why not go ahead with the appointment of these boards and let us finish the work of the session and go home to hold an election? That is what the people want.

In conclusion I should like to put on record the particulars in connection with some tariff items which are of considerable concern to the farming communities of this country. I should like to show what has been done in the way of increases in the tariff on agricultural implements. This is a very perplexing question and it will become more so as the years go by. If we have a few crops in the west we will be needing new machinery. Very little machinery has been bought during the last few years and the people have not felt the effect of these higher tariffs on agricultural implements. Some hon. members opposite, particularly those from western Canada, endeavoured to show that there is no difference between the two parties when it comes to tariff matters.

The following table shows the duty which prevailed in 1930 against different agricultural implements and that which was put into force by the present government:

Article—	1930 Per cent	1930-35 Per cent
Mowers, binders, reapers, combines	6	25
Cultivators, harrows, seed drills, et cetera	7½	25
Field growers, fodder and feed cutters	10	25
Hay loaders, tedders, grain crushers, post hole diggers, et cetera	10	25
Incubator brooders	10	25
Threshing machine separators, fanning mills, farm wagons, sleds	10	25
Barbed wire	free	10
Cream separators	free	25
Windmills	17½	25

There are several other items I could mention but these are the ones in which the farmers are particularly concerned. I think this government should consider reducing these items before the farmers will be requiring new machinery. This could be done after we come back from the Easter recess, provided the government still insists on the long recess.

I think this government should also do something about the pensions being paid and for which no contribution is made by the persons receiving them. That is a very sore spot, and I think it is a good thing for governments that the people of the country generally do not know how much is being paid out in this way. It is simply ridiculous and I hope the government will see their way clear to do something about it.

For these reasons I am opposed to a long adjournment. I do not think there is any necessity for a long adjournment to prepare the legislation that will come out of the price spreads investigation. The government must be pretty well assured of what it will do in that regard, and there is little else to detain us here. I submit that we should

adjourn for not more than two weeks and come back so that we may conclude the business of the session and allow the people to decide who shall govern the country for the next five years.

Mr. ONESIME GAGNON (Dorchester): We have just listened to the twenty-first speech made by hon. gentlemen opposite on this great question of national importance as to whether we ought to adjourn for three or four weeks instead of one or two. Everyone understands that a motion of the kind that has been proposed, which is tantamount to a motion of non-confidence, cannot be moved unless the member who wishes to exercise the immemorial right of putting forward grievances before supply has some question of national importance which he intends to discuss. What is that question? I gave a summary of it a moment ago when I said that the only question at issue was whether or not it was wise or advisable to adjourn the house for four weeks instead of two weeks. But this is not the real grievance; it is rather an imaginary one, because there is no motion before the house for adjournment. It is true that the acting leader of the government (Sir George Perley) a few days ago stated that in a week or so a minister of the crown might move for an adjournment, but that motion has not yet been made; therefore I humbly submit that the whole discussion is based on a wrong principle and the procedure is unsound. However, we are living in a world of surprises and we must not be too scrupulous in regard to the procedure to be followed.

We remember that a week ago the hon. member for Labelle (Mr. Bourassa) asked leave of the house to discuss a question which was really a matter of great national importance—the menace of war which is beclouding every issue in Europe, and the probability of Canada becoming entangled in a European conflict. The house was ready to hear the hon. gentleman and everyone agreed unanimously to the principle of his motion. But if we carefully examine each of the twenty-one speeches that have been made by hon. gentlemen opposite we find that the grievances they urge are rather curious. I have made a note of some of the speeches delivered by hon. gentlemen opposite and I observe for instance that my hon. friend from Bellechasse (Mr. Boulanger) discussed for about twenty minutes the great qualities of the secretary of the commission that investigated mass buying and price spreads, Mr. Pearson. Surely my hon. friend would not contend that this is a grievance. The hon. member for Antigonish-Guysborough (Mr. Duff) discussed the question of by-elections, and like his colleague the hon. member for Quebec East (Mr. Lapointe) he boasted that the opposition had feathers in its cap from two by-elections. Surely this is not a grievance which must be urged before supply. We have heard also the hon. member for Frontenac-Addington (Mr. Campbell) and the hon. member for North York (Mr. Mulock), who spoke with eloquence and talent with regard to by-elections, enumerating the number of Conservative gentlemen who had spoken in the ridings they represent. Surely that is not a grievance to be urged before supply. All these speeches were made on the same line, but they are not real grievances of such a kind that we must stop voting the money that is needed for administration. These speeches are merely a litany of hotchpotch arguments of no serious importance. I would ask hon. gentlemen opposite to meditate on a certain article which appeared in the Ottawa Citizen on July 28, 1933, in which the eminent journalist who wrote this article said:

> Nothing has been more pathetic in Canada in Canadian politics since 1930 than the failure of Liberals in parliament to advance any effective alternative to the government's policy.

We can understand why hon. gentlemen make their budget speeches in this roundabout way. Yesterday the hon. member for Quebec East said that the Liberals this year had spoken only one hour and twenty minutes on the budget, and he was right in that statement. The budget was so good that the Liberals, who are prone to criticize anything coming from this side of the house, deemed it wise to discuss it only one hour and twenty minutes, but now they regret that decision and have made twenty-one speeches on the question now under consideration—speeches which are absolutely out of order but which suit their purposes.

I quote again from the editorial of the Ottawa Citizen of July 28, 1933:

> The self-satisfied ignorance of Liberals on other issues than tariff in world politics, as on the collapse of international finance, the progressive departure of nations from the gold standard, the revolutionary experience in national planning, particularly in Russia and the United States of America, has come more to turn young people from the Liberal party into the lines of the C.C.F. than anything else.

Hon. gentlemen all conclude their speeches by praying that the Prime Minister (Mr. Bennett) may be restored to health so that he may come back to the house. Are they sincere, when their friends and lieutenants out of the house say that the right hon. gentleman is so ill that he will never come back? But since they are so well disposed to hear compliments about my leader may

I quote what the Ottawa Citizen said on May 20, 1933?

However strongly an opponent may disagree with Premier Bennett on vital issues of policy —and there has been no fundamental challenge to the government this session on national policy—no one can fairly charge that personal ambition has been an actuating motive. It would rather be fair to acknowledge that Premier Bennett has retained the confidence of the Canadian people, under the devastating collapse of almost everything else in politics during the last three years, largely because he has demonstrated beyond dispute that he is prepared to sacrifice himself to Canada. No public man—

This is what the Ottawa Citizen says—a very important Liberal paper.

—has shown greater courage in adversity; no political leader has shown himself more ready to put national interests above party or personal interests.

May I humbly urge my good friend from Charlevoix-Saguenay (Mr. Casgrain), who has to do with publicity for the Liberal party, to publish some extracts from that article that appeared in the Ottawa Citizen.

Now when we analyze the speeches of our hon. friends opposite we are surprised at their arguments. Of course I am not presumptuous enough to profess to be able to analyze everything they said, but there are a few observations I should like to make, especially with regard to the speech made by the hon. member for Drummond-Arthabaska (Mr. Girouard) this afternoon. He dwelt mainly on a petition which was circulated in the rural districts, which had something to do with setting the price of butter, eggs and other agricultural products. This petition dealt also with the advisability of voting a premium on the export of butter, eggs, cheese and similar commodities. I should like to show that hon. gentlemen opposite have not always been unanimous on the question of bonusing rural products and even paying a premium on their export. You will remember, Mr. Speaker, that in 1932 a very interesting debate took place in this house on a motion proposed by the hon. member for Medicine Hat (Mr. Gershaw). He moved a resolution on the sugar beet industry, as follows:

That, in the opinion of this house, the government should in cooperation with the sugar factories encourage in every reasonable way the use of sugar made from home grown raw material.

And the hon. member for Lethbridge (Mr. Stewart), who as you know is an expert on the sugar beet industry, added an amendment asking the house to refer that motion to the committee on agriculture. I had the honour of speaking to that motion, and I profited by the opportunity to draw the attention of the house to the very important industry which flourishes in the province of Quebec, the maple sugar industry. I suggested that the hon. member for Medicine Hat should add to his motion the following words:

and encourage the production and extension of the maple sugar industry in Canada.

What was the stand taken on that by hon. gentlemen opposite? Only two spoke on it, the former member for West Elgin, now the Premier of Ontario, Mr. Hepburn, and the hon member for Prince (Mr. MacLean). Mr. Hepburn was a strong opponent of bonusing the sugar beet industry, and the present Deputy Speaker of the house (Mr. Morand) interrupted and asked him the following question:

Mr. Morand: After listening to the hon. gentleman's speech I would ask him: Is he in favour of helping the sugar industry?

Mr. Hepburn: I am opposing the motion and the amendment thereto, absolutely.

The hon. member for Prince was also emphatic in his opposition to the policy of bonusing rural products. What has taken place since? In my remarks on that occasion I urged the government to do something for the maple sugar industry, and you may be surprised to learn that Le Soleil, the great Liberal organ of Quebec, attacked me for having dared to move in the house that some bonus be given to the maple sugar industry. I have here an extract from what was published in that paper on Monday, October 28, 1932. I shall read the article in French and translate it afterwards:

Dès que les Américains vont entendre parler de cela, ils vont remonter leur tarif au niveau où il était avant que M. Vaillancourt nous obtienne les concessions qu'il nous obtenait l'an dernier. C'est d'ailleurs le résultat qu'on obtient avec tous ces bonis du Gouvernement. Les acheteurs étrangers en prennent occasion pour augmenter leur tarif contre nos produits. Le résultat est donc au désavantage des cultivateurs.

I should like to add a few words to explain the argument made by the writer of that article. The article said that Mr. Gagnon, the member for Dorchester in the House of Commons, and other members, have recommended that a bonus be given to the sugar beet industry or the maple sugar industry. Le Soleil said: This principle is wrong, because Mr. Vaillancourt; who in Quebec is the head of the cooperative maple sugar producers, has met with serious obstacles in the United States because it was shown before the American congress that the Quebec government was helping the sugar industry, and when the Americans knew that, they raised

their tariff on sugar; therefore, the writer added, Mr. Vaillancourt was obliged to go to the United States and make representations to show that the farmers ought to be helped. This is why the writer in Le Soleil added the words I have just quoted a moment ago, and which I am going to translate into English:

As soon as the Americans hear about that they will raise their tariff to the level where it was when Mr. Vaillancourt obtained the concessions which he secured last year. Futhermore it is the usual result that we get when with all these subsidies supplied by the government to purchasers from abroad the producers from abroad take advantage of that to raise their tariffs against our products. Therefore it follows that the result is disastrous to the farmers.

I was blamed, and hon. gentlemen on the other side of the house were blamed by Le Soleil, the Liberal organ of Quebec, because we had advocated the giving of a bonus to the maple sugar industry. But now the hon. member for Drummond-Arthabaska is having petitions circulated in our counties asking this government to give a bonus on butter, cheese and eggs. When I received that petition I was rather curious to find out if the great union of farmers of Quebec, which has more than ten thousand members, had approved of that step, so I wrote to the secretary and I shall read to you the letter which I received:

L'Union catholique des cultivateurs de
la province de Québec, Inc.
Head office and general secretary's office:
5505 St. Lawrence Boulevard
Montreal, February 19, 1935.

Mr. Onésime Gagnon,
House of Commons,
Ottawa.

Dear Sir:

I made an inquiry about the petition you are mentioning in your letter. Some farmers had started preparing a petition to be sent to Mr. Taschereau. Mr. Wilfrid Girouard, member for Drummond-Arthabaska, told them: You should rather send a petition to Mr. Bennett requesting him to raise the price of farm products. He gave $15 out of his own pocket or from the party funds to pay for the printing of that petition. The U.C.C. has nothing to do with it. We know that the price of butter and specially the price of cheese depends on the world market which in turn depends on supply and demand.

The best method to secure a fair return for farm products would be to organize their marketing through the Marketing Board. But the very people who are asking Mr. Bennett to fix the price of farm products on the world market refuse to avail themselves of the Marketing Board.

Believe me, hon. Sir,
Yours very truly,
Albert Rioux,
President.

[Mr. Gagnon.]

Now, Mr. Speaker, this gentleman is right. He says that the farmers of Quebec ought to take advantage of the Natural Products Marketing Act which was passed by this government last year. Everyone in this house and in Quebec knows that at first Mr. Taschereau was opposed to the marketing act but the pressure of public opinion was so strong that a few days ago we heard that Mr. Godbout, the provincial minister of agriculture, had consented that the producers of potatoes in Quebec should come under the eastern potato marketing scheme. I have here a letter which was sent to me by Mr. L. S. Burrows, the chairman of the eastern Canada potato marketing scheme. I think it is worth while to put it on Hansard:

Following your request for information regarding the comparative prices being paid for potatoes to the farmers in the area under the regulation of this board, that is Ontario, New Brunswick, Prince Edward Island and Nova Scotia, on January 31, 1935, and February 28, 1935, I wired to our various offices and secured the following information:

Ontario—		
(Per 90-lb. bag)	Jan. 31	Feb. 28
Orangeville	17c.	35c.–40c.
Alliston	15c.	35c.
Uxbridge	15c.–17c.	35c.–40c.
New Brunswick—		
(Per 165 lbs.)		
Woodstock	17c.–20c.	40c.
Hartland	17c.–20c.	45c.
Perth	17c.–20c.	35c.–40c.
Grand Falls	17c.–20c.	40c.–45c.
Prince Edward Island—		
(Per bushel)		
Four largest dealers report paying	8c.–10c.	13c.–14c.
Nova Scotia—		
Barrels for export (including the barrels)	75c.	$1 00
90-lb bags	22c.	30c.

Mr. Burrows adds:

The eastern Canada potato marketing board while authorized on January 18, 1935, did not begin active operation until February 1st. I think you will agree directly due to the operations of this board the price which the farmer is receiving for his potatoes is showing a very strong increase.

I am also glad to advise you that the movement has remained normal in spite of the materially increased price.

These figures show in a very convincing manner that the farmers of the province of Quebec ought to follow the example of the farmers of other provinces and enjoy the benefits of the provisions of the marketing act. I think the provincial minister of agriculture was well advised to encourage this eastern Canada potato marketing board. I heard today also that the jam manufacturers of Quebec have decided to join the producers in Ontario and come under the provisions of the market-

ing act. If the butter and egg producers decide to do likewise, they will certainly derive great benefits which will be extremely advantageous to them.

Before taking my seat I should like to dwell for a moment on a subject raised by my hon. friend from Quebec East. As one of the subjects which he thought should be discussed before going into committee, he raised the famous question of decorations, honours and titles in Canada. I was really amazed to hear the hon. gentleman raise that question a second time, because everyone knows that in the province of Quebec there is an annual shower of decorations on the members of the Liberal party. Therefore, I am at a loss to understand why my hon. friend from Quebec East, who is one of the leaders of his party, should be scandalized if the King of England deems it wise to grant decorations to English speaking people in Canada. In the province of Quebec almost every Liberal provincial minister and deputy minister has received decorations from the republic of France, the King of Belgium and His Holiness the Pope. I have no objection to that; on the contrary, I am very happy that hon. gentlemen opposite may have done something to entitle them to decorations, but I would ask them to be more consistent and not to vote against decorations in this house while they are pleased to have their friends in Quebec benefit by this shower of decorations to which I referred a moment ago.

The hon. member referred to the Nickle resolution of 1918 with respect to titles. It is true that the hon. member for Quebec East supported that resolution, but every child who has begun the study of constitutional law recognizes that a mere resolution voted by only one house cannot bind parliament. This resolution never received the support of the Senate or the governor general, and, therefore, it never bound parliament. But why did my hon. friend support the Nickle resolution while at the same time he approved of that shower of decorations falling from the republic of France on the provincial ministers of Quebec, and even on some hon. gentlemen who sit on the other side of this house? I may say frankly that when the right hon. leader of the opposition (Mr. Mackenzie King) moved a resolution against titles, I was scandalized to see the hon. member for St. James (Mr. Rinfret) rise in his place and vote against honours and decorations in this country. That hon. gentleman wears in his buttonhole the rosette of the Legion of Honour, which has been awarded to him, quite properly, by the republic of France. Why should he vote against decorations? Why should he seek to prevent Englishmen from receiving decorations from the King of England when hon. gentlemen opposite are so alluring to the government of France that they receive decorations by the tens and hundreds in a year?

The hon. member for Quebec East said that the practice of giving decorations was obnoxious and abhorrent to the people of Canada. I was surprised to learn that this practice was abhorrent to the Premier of Quebec, who has received at least five or six decorations from foreign countries and who, just this year, received the Grand Cross of the Legion of Honour, for which I am pleased to congratulate him. Just to show how easy it is for gentlemen to get decorations in Quebec, there is a Liberal chief in that province who is a bailiff of the superior court. He has received five decorations, one from the King of Belgium, one from the republic of Argentina, of which he has been consul, one from the republic of France, one from His Holiness the Pope and one from the King of Montenegro, because several years ago he was consul for that country also. When hon. gentlemen opposite are so enraptured with these much coveted decorations why should they object to gentlemen in other provinces receiving decorations which are merely a recognition of the services they have rendered their king and country? I think hon. members opposite from the province of Quebec ought to be ashamed of themselves for being so inconsistent in regard to this question.

Some hon. MEMBERS: Order.

Mr. GAGNON: They will probably ask for a decoration for keeping order in the house.

The hon. member for Quebec East has also proposed that a referendum should be taken on this question of titles. If we are to have a referendum on every secondary question that may be raised, where should we stop? Why should we not have a referendum on the advisability of removing the tax on liquor or on the advisability of awarding the title of king's counsel? Where should we stop? Why should not hon. members opposite move for a referendum asking the people what they think of the policy initiated by Mr. Hepburn within the last few days which will cause the bondholders of the province of Quebec to lose $40,000,000, according to what Mr. Taschereau said at Quebec just last week? Hon. gentlemen opposite ought not to be so insistent on referendums. By breaking the pledges they made in 1919; by their utter

disregard of principles; by their obnoxious and unscrupulous methods; by their utter disregard of ethics and conventions they have corrupted the wells of public opinion.

In concluding my remarks, Mr. Speaker, because I understand that a vote is to be taken in a few moments, may I say that I am not afraid to place myself on record as being in favour of decorations. That is not because I expect to get one; in the province of Quebec no Conservative would dare hope for a decoration of this kind, but I am in favour of the principle. I think if hon. gentlemen opposite are so keen on receiving decorations from foreign countries they should not try to prevent Conservatives or even Liberals in other provinces from receiving decorations from their king. The motion of the hon. member for Quebec East is not serious; it is not declarative of any principle; it is merely a motion to delay the work of this house, and therefore I will vote against it.

Hon. FERNAND RINFRET (St. James): Mr. Speaker, before taking the vote I should like to say only a few words on the debate generally and to refer briefly to some of the remarks we have just heard. The first observation of the hon. member who immediately preceded me (Mr. Gagnon) was to the effect that we have not a real grievance, that the amendment moved by the hon. member for Quebec East (Mr. Lapointe) did not express a grievance and therefore should not have been moved. I will say that if we were dealing with a motion for adjournment the objection taken by the hon. member might have some weight. May I point out, however, that the real grievance lies not so much in the proposal of the government to adjourn the house for an extended period as in the fact that the adjournment is merely adding to a sequence of political acts through which this government month after month has been delaying what the public has demanded, namely a general election.

If the government had followed tradition the results would have been suicidal, I admit, but we would have had elections last fall. But instead of having the elections, the government, realizing it did not have a ghost of a chance to survive public opinion, made an heroic but futile effort to divert the attention of the Canadian electors to the program of reform that came into existence with the new year and was diffused throughout the country through the medium of radio speeches. Instead of appealing to the country on its record of four and a half years, a procedure which would have been according to tradition, we were confronted with a new program backed by practically a new government. As the Prime Minister (Mr. Bennett) put it at the time, we were to become the Conservative party and they were the new Liberal party with the new program of reform.

Parliament met, and it was quite evident that had we opposed the reform program we would have been branded immediately as a reactionary party and one opposed to all progress. Immediately upon the commencement of the session we did everything by omission and commission to assist the government in putting through the reform program as quickly as possible. However we were confronted with delays—this bill would not be ready; that bill would not be ready; that resolution was not ready; this resolution was not ready; that minister was not feeling well on a particular day and would not be able to introduce his measure; this minister was not feeling well, and so on—and from week to week we have been waiting. Then came the budget, when we witnessed the extraordinary performance of a government and its supporters day after day obstructing their own budget. That, Mr. Speaker, is our grievance.

Now that we are willing to put through additional reforms, if there are any—not because we think they are so very good, but just to make sure that this government is forced to the country on its record and not on a program newly adopted at the last moment—we are met with another proposal. Not only are we not to go on with the reforms, and not only are we to be given the opportunity not to oppose them, if I may put it that way, but we are going to adjourn for six weeks. That is the grievance, Mr. Speaker. This proposal is part of the sequence of political acts whereby the government have postponed a general election, notwithstanding the fact that throughout the country there has been a general demand for it. They have delayed the elections to suit their own convenience and their own comfort, and to prolong for a few months the pleasure they have in holding office when nobody wants them there but themselves. They hold office without the least regard for public opinion or for the rights of the people. That is our grievance.

We want to be here to discuss whatever the government may have to offer as ante mortem testimony, and then we desire to proceed to a general election. We may win or we may lose—I think we will win.

Mr. DURANLEAU: You will lose.

Mr. RINFRET: The country wants a new government, a stable government. It does not want a moribund government hanging to power by the tips of its fingers. It does not want a government which, had it paid the least attention to the desire of the people as expressed in by-elections, would not now be in office.

Many references have been made to the by-elections. The statement has been made that if we take the whole record of the five years the government has held power, it has lost only one or two seats. I have not taken the trouble to ascertain whether or not that statement is correct. But this I do know: You must not go back to the by-elections held about five years ago if you wish to obtain accurate information. It is only natural that when a government has just been elected the first by-election will turn in its favour. This government in that respect has been treated as other governments have been treated. They won an election in Three Rivers about a year after they had been in power. On the strength of the promises made during the general campaign and repeated in the by-election campaigns they won a few by-elections in the first years in which they held office. But let us look back at the last two years. What do we find? They lost three by-elections in 1933; they lost four out of five in 1934, and they have only a little Church left—and we are not even sure it is perfectly orthodox.

Mr. DUGUAY: The hon. member did not have—

Some hon. MEMBERS: Sit down.

Mr. RINFRET: I do not know what my hon. friend has to say, but I would invite him to go to his electors and say it there.

Mr. DUGUAY: I am ready to go at any time.

Mr. RINFRET: To sum it up, this government has been dead for a number of months. Not only is it dead, but there are no relatives left to fix the date of the funeral. We have to wait for the constitution to do that. When we asked the Minister of Justice (Mr. Guthrie) the position of the constitution in the matter of elections he said, "Well, on August 18 this parliament will not exist," but when we wanted to know further whether that meant we would have an election he said, "Well, there is nothing in the constitution concerning that." As an hon. member put it earlier in the afternoon, if we were to follow the reasoning of some hon. members opposite there would never be a general election.

Mr. CASGRAIN: That is Toryism.

Mr. RINFRET: Parliament is out, automatically, but that does not matter to them. That does not mean we must elect another one. It is out, that is all. Were it not for the fact that they need supply they would stay there forever. Of course the framers of the constitution never dreamed of a government attempting to remain in office after its powers had automatically ceased, and for that reason those framers forgot to remind such governments that when a parliament was completed it might be a good thing to elect another one. They forgot about that. We are here to remind the government of that fact. We want the elections to be held. We do not wish particularly to disrupt the plans of hon. members opposite; if the people want them—well, they deserve them, and that is all there is to it. We do not say that we are going to win; we simply say the people are entitled to make a choice. Yet the Minister of Justice states, "Well, parliament will be out automatically on August 18, but that is no indication that an election will follow." That is the way the matter stands. That is our grievance and the grievance of the Canadian people. We want to make sure that after that day the people of Canada will still be represented by a parliament of some sort. We want the government to tell us that instead of adjourning they are going to expedite the business of this session, and for the Canadian people we want the assurance—and the Canadian people may choose hon. members opposite; we never know—that on a certain day some group of members will be chosen. That is all we want to know.

I have still another point to make. The hon. member who preceded me in the debate stated, among other things, that in this debate we should not discuss other than the motion for the adjournment, and then the hon. member proceeded to speak about everything except that motion. I will admit, though, that he was replying to some hon. gentleman on this side of the house, and there is no doubt, Mr. Speaker, that when one is arguing that parliament should not adjourn it is quite in order to mention different matters that should receive the consideration of parliament.

My hon. friend quoted the Ottawa Citizen, and he went pretty far back, citing what the Citizen said in 1933. Well, I have here the Ottawa Citizen of 1935, for the third of April. What does it say? I shall not read it because I am not supposed to quote a newspaper, but I shall just refresh my memory by glancing at it once in a while. The Ottawa Citizen if I remember well, says that there is no

shadow of an excuse for a performance such as we have now. It is speaking not of what happended three years ago but of what is happening now, and it says that there is not the shadow of an excuse for parliament carrying on the way it is. I shall be glad to hand this extract to the whip of our party if he is going to quote extracts in reply to my hon. friend from Dorchester. It will be a good companion to what we heard a moment ago.

The Ottawa Citizen also says, if I remember well, that there does not seem to be any special reason for keeping up this performance. That is exactly what we are arguing. But the Ottawa Citizen goes further, and goes a little too far I think, but sometimes the newspapers are a bit violent in their terms. The Ottawa Citizen, not of three years ago but three days ago, says that it is a crime against Canada to keep up this negative performance—a crime against Canada. I think so too. Shakespeare has one of his characters speak of a Daniel come to judgment. It is a crime against Canada because a general election has to come eventually, and it is well for constituted authority in Canada that the people, who are in desperate circumstances cannot see this daily performance of futility in Ottawa because it would produce something like revolution. That is the Ottawa Citizen, the same paper that appeals to my hon. friend from Dorchester (Mr. Gagnon), but evidently he does not read it every morning, or perhaps he chooses only the editorials that suit him.

Mr. CASGRAIN: He misses those that are against him.

Mr. RINFRET: I should enjoy very much going on, Mr. Speaker, but I think we are all anxious to vote, both those who think that parliament should work and those that think it should not. I merely want to say in conclusion that the precedent of 1911 cited by the Minister of Justice is not an appealing one to me. That was not an election year notwithstanding what the Minister of Justice said. It is true an election was held that year, but it was not an election year because the then parliament had run for only three years, and when Sir Wilfrid Laurier after presenting to the house his new measure of reciprocity asked for an adjournment that he might go to London, there was not much expectation at that time that that measure would receive the opposition that it did meet with when he came back. He came back, and what happened? There was opposition in this house and opposition in the country also. That is an example that we are very proud to cite to-day. Let the government do what Sir Wilfrid Laurier did. It is the very thing we ask, because Laurier went to the people. He was defeated, it is true, but it was not an inglorious defeat.

We Liberals, as I said at the start, and I was not speaking in light fashion, do not want to wrest power from the people. We merely want the people to pronounce for themselves —that is all. I know that that is not the policy of the Conservative party. In 1896 parliament sat until the last minute of the last hour of the last day. In 1916 again a Conservative government extended the life of parliament for a whole year, and here we are in 1935 and we have not even the assurance that when the life of this parliament expires automatically, it will be immediately replaced. The whole purpose of the amendment that has been moved by the hon. member for Quebec East is to express the grievance of the Canadian people who want to choose a new government, who ask for that opportunity, and we are here voicing that desire of the Canadian people.

Mr. QUINN: They are not represented by you.

Mr. RINFRET: Did I hear a sound from the other side? I shall vote, Mr. Speaker, to express the desire of the Canadian people and shall support with all my might the amendment that has been moved by my hon. friend from Quebec East.

Mr. J. L. DUGUAY (Lake St. John): Just one word, Mr. Speaker, in reply to the hon. member for St. James (Mr. Rinfret). We will be frank enough to go to the people and tell them what our program is, but the hon. member for St. James did not dare go before the people of Montreal when he was mayor of that city.

The house divided on the amendment (Mr. Lapointe) which was negatived on the following division:

YEAS

Messrs:

Ahearn	Ferland
Beaubien	Fontaine
Bertrand	Fournier
Blair	Fraser (Northumberland, O.)
Bothwell	Hanbury
Boucher	Howden
Boulanger	Jean
Bradette	Mackenzie (Vancouver Centre)
Brasset	MacMillan (Mackenzie)
Brown	McKenzie (Assiniboia)
Campbell	McKinnon
Casgrain	Mercier (Laurier-Outremont)
Chevrier	Mills
Deslauriers	
Donnelly	
Dumaine	
Elliott	
Factor	

Motherwell
Mulock
Munn
Neill
Parent
Perras
Pouliot
Reid
Rennie
Rhéaume
Rinfret
Rutherford
Sanderson
Séguin
Taylor
Vallance
Veniot
Young—49.

NAYS

Messrs:

Anderson (Toronto-High Park)
Anderson (Halton)
Arsenault
Arthurs
Baker
Baribeau
Barrette
Beaubier
Belec
Bourgeois
Bowen
Boyes
Bury
Cahan
Carmichael
Chaplin
Charters
Church
Davies
Dickie
Duguay
Dupré
Duranleau
Edwards
Embury
Ernst
Esling
Fraser (Cariboo)
Gagnon
Gardiner
Geary
Gobeil
Gott
Hackett
Hanson (York-Sunbury)
Hay
Irvine
Johnstone
Kennedy (Peace River)
Laurin
Loucks
Luchkovich
Macdonald (Kings)
Macdougall
MacMillan (Saskatoon)
MacNicol
McGillis
McGregor
McLure
Maloney
Manion
Morand
Mullins
Myers
Peck
Perley (Qu'Appelle)
Pickel
Plunkett
Porteous
Price
Quinn
Ryerson
Sauvé
Senn
Shaver
Short
Simpson (Simcoe North)
Simpson (Algoma West)
Smith (Victoria-Carleton)
Smoke
Speakman
Spence
Spencer
Spotton
Sproule
Stanley
Stewart (Leeds)
Stewart (Lethbridge)
Stitt (Selkirk)
Sullivan
Sutherland
Swanston
Tétreault
Thompson (Simcoe East)
Thompson (Lanark)
Weese
Weir (Melfort)
White (Mount Royal)
Willis
Wilson—90.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Barber
Bell (Hamilton)
Bell (St. Antoine)
Bell (St. John)
Bennett
Beynon
Burns
Cantley
Totzke
Mercier (St. Henri)
Raymond
Dubois
King
Euler
Butcher
Cardin
Casselman
Cotnam
Cowan
Dorion
Fortin
Ganong
Garland (Carleton)
Gordon
Guthrie
Harris
Jones
Kennedy (Winnipeg)
Laflèche
Larue
Lawson
MacDonald (Cape Breton)
McDade
McGibbon
Matthews
Moore (Châteauguay)
Murphy
Perley
Pettit
Rhodes
Robinson
Ross
Rowe
Smith (Cumberland)
Stevens
Stinson
Stirling
Stitt (Nelson)
Tummon
Turnbull
White (London)
Wright
Howard
Hurtubise
Ilsley
Verville
Fafard
Michaud
Goulet
Fiset, Sir Eugène
Lapointe
Jacobs
MacLean
McIntosh
Girouard
Thauvette
Gray
Urquhart
Dupuis
Power
Moore (Ontario)
Dubuc
Stewart (Edmonton)
Marcil
Bouchard
Ralston
Desrochers
Roberge
Lacroix
Duff
Malcolm
Hall
Hanson (Skeena)
Weir (Macdonald)
St-Père
McPhee
Gershaw
Golding.

Mr. WHITE (London): I was paired with the hon. member for Medicine Hat (Mr. Gershaw). Had I voted, I would have voted against the amendment.

Mr. BARBER: I was paired with the hon. member for Humboldt (Mr. Totske). Had I voted, I would have voted against the amendment.

Mr. BUTCHER: I was paired with the hon. member for Portage la Prairie (Mr. Burns). Had I voted, I would have voted for the amendment.

Mr. ROBINSON: I was paired with the hon. member for Portneuf (Mr. Desrochers). Had I voted, I would have voted against the amendment.

Mr. GOLDING: I was paired with the hon. member for North Perth (Mr. Wright). Had I voted, I would have voted for the amendment.

Mr. HARRIS: I was paired with the hon. member for Cartier (Mr. Jacobs). Had I voted, I would have voted against the amendment.

Mr. COTNAM: I was paired with the hon. member for Nipissing (Mr. Hurtubise). Had I voted, I would have voted against the amendment.

Mr. McDADE: I was paired with the hon. member for Laprairie-Napierville (Mr. Dupuis). Had I voted, I would have voted against the amendment.

Mr. MOORE (Châteauguay-Huntingdon): I was paired with the hon. member for Chicoutimi (Mr. Dubuc). Had I voted, I would have voted against the amendment.

Mr. MacLEAN: I was paired with the hon. member for Royal (Mr. Jones). Had I voted, I would have voted for the amendment.

Mr. McPHEE: I was paired with the hon. member for Regina (Mr. Turnbull). Had I voted, I would have voted for the amendment.

Mr. MICHAUD: I was paired with the hon. member for Charlotte (Mr. Ganong). Had I voted, I would have voted for the amendment.

Mr. WEIR (Macdonald): I was paired with the hon. member for Nelson (Mr. Stitt). Had I voted, I would have voted for the amendment.

Mr. HALL: I was paired with the hon. member for Victoria (Mr. Stinson). Had I voted, I would have voted for the amendment.

Mr. MACKENZIE KING: I was paired with the right hon. the Prime Minister (Mr. Bennett). Had I voted, I would have voted for the amendment.

Mr. McINTOSH: I was paired with the hon. member for Winnipeg South Centre (Mr. Kennedy). Had I voted, I would have voted certainly for the amendment.

Mr. LAPOINTE: I was paired with the hon. Minister of Justice (Mr. Guthrie). Had I voted, I would have voted for the amendment.

Mr. HOWARD: I was paired with the hon. member for Grenville-Dundas (Mr. Casselman). Had I voted, I would have voted for the amendment.

Mr. ST-PERE: I was paired with the hon. member for South Hastings (Mr. Tummon). Had I voted, I would have voted for the amendment.

Mr. HANSON (Skeena): I was paired with the hon. Minister of National Defence (Mr. Stirling). Had I voted, I would have voted for the amendment.

Mr. DORION (Translation): I was paired with the hon. member for Lotbinière (Mr. Verville). Had I voted, I would have voted against the amendment.

[Mr. Cotnam.]

Mr. FAFARD (Translation): I was paired with the hon. member for Lévis (Mr. Fortin); otherwise, I would have voted for the amendment.

Sir EUGENE FISET (Translation): I was paired with the hon. Minister of Labour (Mr. Gordon); otherwise, I would have voted for the amendment.

Mr. LACROIX (Translation): I was paired with the hon. member for Dufferin-Simcoe (Mr. Rowe). Had I voted, I would have voted for the amendment.

Mr. GIROUARD (Translation): I was paired with the hon. member for Richmond-Wolfe (Mr. Laflèche); otherwise, I would have voted for the amendment.

Mr. DUBOIS (Translation): I was paired with the hon. member for St. John-Albert (Mr. Bell); otherwise, I would have voted for the amendment.

Mr. THAUVETTE (Translation): I was paired with the hon. member for Matane (Mr. Larue); otherwise, I would have voted for the amendment.

Mr. BOUCHARD (Translation): Following an agreement with the hon. member for Welland (Mr. Pettit), I abstained from voting in his absence. Had I voted, I would have voted for the amendment.

Main motion (Mr. Rhodes) agreed to and the house went into committee of ways and means, Mr. Morand in the chair.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Wednesday, April 10, 1935

The house met at three o'clock.

RAILWAYS AND SHIPPING

Third report of the select standing committee on railways and shipping owned, operated and controlled by the government. —Mr. Geary.

Hon. E. N. RHODES (Minister of Finance) moved:

That the estimates referred to in the third report of the standing committee on railways and shipping owned, operated and controlled by the government be referred to the committee of supply.

Motion agreed to.

QUESTION OF PRIVILEGE

Mr. WILFRID GIROUARD (Drummond-Arthabaska) (Translation): Mr. Speaker, in the course of his remarks last night, the hon. member for Dorchester (Mr. Gagnon) read a letter from a man named Albert Rioux, as reported at page 2588 of Hansard. This man Rioux writes to the hon. member for Dorchester, among other things:

He—speaking about myself—gave $15 out of his pockets or out of the party funds in order to pay for the cost of printing this petition.

I must declare, Mr. Speaker, that it has always been a pleasure for me to help the agricultural societies of my riding, but it is both false and ridiculous to claim that such help came from the party funds which do not exist, so far as I am concerned.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

GUARANTEES TO NEWFOUNDLAND

Mr. POULIOT:

1. Referring to the statement made by the hon. Minister of Finance on March 21, 1933, Hansard, page 3277, to the effect that the dominion had guaranteed maturities of Newfoundland in the year 1932-33, under the authority of chap. 36, 22-23 Geo. V, did the United Kingdom make a similar arrangement with Newfoundland at that time and for the same amount?
2. Referring to the statement of the right hon. the Prime Minister on April 9, 1934, Hansard, page 1986, to the effect that the British authorities had said "that they would guarantee or pay to the extent of one-half if we did the other," did it mean the payment by Canada of $625,000 or one-half of that amount?
3. Did Canada pay anything in that connection, and, if so, why, when, how much and in virtue of what authority?
4. Is there any arrangement with regard to the refunding by the United Kingdom of any amount paid by Canada for Newfoundland?
5. Since February 7, 1933, did Canada loan any sum of money or give any guarantee to Newfoundland?
6. If so, on what date and for what amount?

Mr. RHODES:

1. At the time that certain Canadian banks advanced $625,000 to the government of Newfoundland under the guarantee of repayment by the Canadian government, the government of the United Kingdom advanced a similar sum to the government of Newfoundland.
2. Answered by question number 1.
3. No.
4. No.
5. On March 22, 1933, the Canadian government undertook to guarantee the repayment to certain Canadian banks the sum of $625,000 which they had advanced to the government of Newfoundland in accordance with the arrangement referred to in the answer to question number 1.
6. Answered by question number 5.

BUTTER RETURNED TO CANADA

Mr. POULIOT:

Referring to the statement made by the hon. the Minister of Agriculture on October 19, 1932, Hansard, page 363, to the effect that 3,465 boxes of Canadian butter had been shipped back to Canada from the United Kingdom, during the preceding three months,—

1. Besides the shipment already referred to, from 1930 to date, was Canadian butter shipped back from the United Kingdom to Canada?
2. If so, why and what quantity each year?
3. Same question for cheese.

Mr. RHODES: Information not available in this department.

REVENUE FROM TAXATION

Mr. POULIOT:

What did the revenue (a) from customs; (b) excise, and (c) income tax, amount to in the twelve months preceding (1) September 1, 1930; (2) September 1, 1931; (3) in the calendar year 1930?

Mr. RHODES:

	(a)	(b)	(c)
1.	$176,380,895.50	$121,154,814.20	$71,658,738.67
2.	135,149,137.79	92,997,727.50	55,786,645.16
3.	161,173,103.65	105,612,968.11	71,532,234.02

RADIO COMMISSION—ADDRESSOGRAPH MACHINE

Mr. McKENZIE (Assiniboia):

1. Was an addressograph machine installed recently for the radio commission?
2. If so, from whom was it purchased?
3. What was the price of same?
4. Where was the machine manufactured?
5. What disposition was made of the addressograph machine formerly used in the radio commission office?

Mr. DURANLEAU:

1. No.
2. Answered by No. 1.
3. Answered by No. 1.
4. Answered by No. 1.
5. No addressograph machine has been used by the Canadian Radio Broadcasting Commission.

QUESTIONS PASSED AS ORDERS FOR RETURNS

JACQUES CARTIER BRIDGE—PAINTING

Mr. POULIOT:

1. Has the Montreal harbour commission awarded a contract, since 1930, for the painting of the Jacques Cartier bridge?
2. If so, were tenders called for?

3. Who were the tenderers and what were the tender prices in each case?
4. To whom was the contract awarded, on what date, and what amount was paid to the contractor?

PORT OF NEW WESTMINSTER—ADVANCES

Mr. REID:

1. What amounts of money have been advanced to the port of New Westminster up to the 31st of December, 1934 (a) by way of loans; (b) by way of grants?
2. How are the loans secured?
3. What rate of interest is charged by the government?
4. What amount of interest is delinquent in any way?
5. What amount of interest has been paid to the government?
6. What amount of principal has been returned?
7. What amount of sinking fund has been set up?
8. What quantities of wheat, oats and corn have passed through the New Westminster elevator during the calendar years 1931 to 1934?

SALARIES OF GOVERNMENT EMPLOYEES

Mr. CHEVRIER:

1. What was the total amount paid by the government in salaries to its employees of all classes located in Ottawa for the fiscal years ended (a) March 31, 1930, and (b) March 31, 1935, respectively?
2. What was the total number of government employees (a) as defined by the Civil Service Act, and (b) all other classes, located at Ottawa during the fiscal years ended (a) March 31, 1930, and (b) March 31, 1935, respectively?

SALARIES OF $8,000 OR OVER

Mr. LAFLECHE:

1. How many members of the dominion public service receive an annual salary of $8,000 or over?
2. What are their names and places of residence?

MOTIONS FOR PAPERS

LAKE FRONTIÈRE, QUÉ., PORT OF CUSTOMS

Mr. FAFARD:

For a copy of all correspondence, letters, telegrams and other documents exchanged between the Minister of National Revenue and any individual, respecting the port of customs at Lake Frontière, Montmagny county, Quebec, from 1931 to date.

DAMAGE BY YAMASKA RIVER

Mr. BOUCHER:

For a copy of all requests and petitions respecting all damages caused by the Yamaska river, in the spring of the year 1930 or 1931, to owners of properties bordering on said river, at Yamaska; also a copy of all reports and correspondence with reference thereto.

[Mr. Pouliot.]

GREAT LAKES LABOUR CONDITIONS

Mr. CHURCH:

For a copy of all letters, reports, memoranda, and other written material, filed with the Minister of Marine and Fisheries by the Grand Lodge of the Canadian Navigators' Federation, incorporated, regarding labour conditions on the great lakes, aids to navigation, inspection, wages, loading and other related matters; also a copy of material filed with the minister urging the placing of shipping on the great lakes under the regulation of the Board of Railway Commissioners.

UNEMPLOYMENT RELIEF

REPORTED WALK-OUT FROM CAMPS IN BRITISH COLUMBIA

On the orders of the day:

Hon. IAN MACKENZIE (Vancouver Centre): Mr. Speaker, I should like to ask a question of the Minister of National Defence. Has he any statement to make with reference to the walk-out of certain relief workers at some of the camps in British Columbia?

Hon. GROTE STIRLING (Minister of National Defence): Mr. Speaker, the hon. member was good enough to send me a few moments ago intimation that he proposed to ask such a question. The information in my department indicates that about 1,300 out of a total of 4,400 men in the camps west of the centre line of British Columbia have moved out. A considerable number of them have gradually found their way to Vancouver. I cannot say definitely how many have reached that point, because the information is to a certain degree affected by the fact that in a good many of the camps certain men moved out rather than become entangled with this movement. The house will realize of course that as soon as these men leave the camps which have been under the jurisdiction of the Department of National Defence they pass beyond the charge of the dominion government and are again in the charge of the provincial government. Indications are that both the city of Vancouver and the province of British Columbia consider they have the situation well in hand.

THE KING'S SILVER JUBILEE

DISTRIBUTION OF MEDALS IN COMMEMORATION OF EVENT

On the orders of the day:

Mr. JOHN VALLANCE (South Battleford): Mr. Speaker, I should like to bring to the attention of the Secretary of State (Mr. Cahan) a telegram I received from Lloydminster,

Saskatchewan, with regard to the celebration in connection with the silver jubilee of the coronation of His Majesty the King. The telegram is as follows:

> Citizens committee planning celebration Their Majesties Jubilee would like 500 medals to give school children. Please wire me if Canadian mint is making these. If so quote size and prices for this number in bronze or silver.

I think we should have some information about this matter.

Hon. C. H. CAHAN (Secretary of State): The medals which will be distributed on the occasion of the King's silver jubilee will be the medals expressly donated by His Majesty the King to persons who are selected in accordance with the instructions of His Majesty. So far as I know none of His Majesty's medals will be distributed to school children. The government of Canada is not distributing medals.

Mr. C. E. BOTHWELL (Swift Current): Mr. Speaker, following the answer to the question of the hon. member for South Battleford (Mr. Vallance) may I say that I have had a communication from some person connected with the mint to the effect that medals having to do with the jubilee celebration were for sale. I believe it would be well to have an announcement made to-morrow concerning this matter. I believe there are two sizes available.

Mr. CAHAN: I have only the personal knowledge gained from having seen certain communications to His Excellency the Governor General. However, I understand certain commemorative medals were to be issued by the royal mint for sale and distribution in England, merely as souvenirs of this anniversary. It was suggested that a certain number of these medals might be made available for sale at the mint in Canada. As to whether or not the mint in Canada has received the medals from the London mint, I cannot at the present time give a definite answer.

Mr. BOTHWELL: Would the minister be good enough to make an announcement to-morrow, because the fact is I have written letters giving information to people in my own constituency who have made inquiries. I hope I have not been misled in the matter.

Mr. CAHAN: This matter is not within the jurisdiction of the Department of the Secretary of State, I believe the inquiry should be made through the Minister of Finance (Mr. Rhodes) who has direction and control of the Royal Mint in Ottawa.

Mr. BOTHWELL: May I direct my question to the Minister of Finance?

Mr. RHODES: I shall be pleased to make specific inquiries and, I hope to-morrow, advise the house definitely.

Mr. POULIOT: May I ask the government if the distribution of such medals will carry the conferring of a title?

BUSINESS OF THE HOUSE

On the orders of the day:

Mr. JEAN FRANCOIS POULIOT (Témiscouata): Mr. Speaker, yesterday the Minister of Finance said, regarding the business of the house for to-day, "We will take up the bills and resolutions on the order paper." May I ask him if the house will consider order No. 28, the second reading of Bill No. 40, concerning minimum wages?

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): I am sorry, Mr. Speaker, that that question cannot be answered at the moment, because the Minister of Justice (Mr. Guthrie) has a meeting presently in his own room, but if it is convenient to take up that bill to-day we shall do so.

Mr. POULIOT: Thank you.

BUTTER RETURNED TO CANADA

On the orders of the day:

Mr. JEAN FRANCOIS POULIOT (Témiscouata): I rise, Mr. Speaker, to a question of order as well as one of privilege with regard to question No. 19 standing in my name on to-day's order paper. That question has appeared on the order paper before and an answer was given to it on Monday of last week by the hon. Minister of National Revenue (Mr. Matthews), and to-day I received exactly the same answer: "Information not available in this department." But in the original of this question which was handed to the officer of the house there were a few words which do not appear in the question on the order paper; they were "Inquiry of the hon. Minister of Agriculture" (Mr. Weir), and the answer of the hon. Minister of National Revenue to-day is that no information is available. But I would point out that the hon. Minister of Agriculture has already stated in the house that some Canadian butter was shipped back to Canada from England, and he gave the number of boxes. I put this same question now to the Minister of Agriculture, and I hope, Mr. Speaker, that you will decide that question No. 19 on to-

day's order paper shall stand on the order paper until I receive an answer from the hon. Minister of Agriculture.

Mr. SPEAKER: The question appears there.

Mr. POULIOT: I ask you, sir, to decide that this question shall stand on the order paper until I receive an answer from the Minister of Agriculture, because the question was directed to him.

PROPOSED EXPERIMENTAL FARM

On the orders of the day:

Mr. OLOF HANSON (Skeena): I would like to direct a question to the Minister of Agriculture based on representations sent to him by the associated boards of trade of central and northern British Columbia and from farmers' institutes, and based also on representations that have been made to the minister by myself and I believe by the hon. member for Cariboo (Mr. Fraser), in respect to the establishment of a model or experimental farm in that portion of British Columbia. Such a farm was promised by two former governments, Liberal and Conservative. It seems impossible for me to get a reply from the minister to communications that I have sent to him. I would therefore ask him now if any consideration has been given to the subject and when I may expect an answer from his department to my letter.

Hon. ROBERT WEIR (Minister of Agriculture): Mr. Speaker, I thought my hon. friend would have received my answer before this. I wrote him at length and he should have received my letter before this.

Mr. HANSON (Skeena): I called at the post office fifteen minutes ago. There has been no answer yet.

INTERIM SUPPLY

Hon. E. N. RHODES (Minister of Finance): Mr. Speaker, to provide for the requirements of the public service for the month of May it is desirable that we should have interim supply, and I would therefore ask for unanimous consent for one-twelfth of supply except in the case of a number of items where a little larger sum is required, and for which we are asking for an additional one-sixth. Those are for services where the expenditure is required to a greater extent in the earlier season of the year. It is of course understood that I can only proceed by unanimous consent.

[Mr. Pouliot.]

Hon. ERNEST LAPOINTE (Quebec East): Mr. Speaker, while reiterating our protest against the proposed length of the adjournment of the house, it is not our intention to oppose the request of my hon. friend. Of course, the king's government must carry on and the public service must function.

Mr. WILLIAM DUFF (Antigonish-Guysborough): Mr. Speaker I think before unanimous consent is given we should have some idea when the motion will be brought down fixing the date of the proposed adjournment. We do not need supply until the last of April, and I for one would like to know for different reasons when the government intends to bring down its motion for adjournment and on what date the house will adjourn.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): I have been waiting to see how the business of the house progressed in order to try to fix a day on which I thought we might get away. We would like to complete as much as possible of the business that is on the order paper before adjourning, in order that when we come back in May we shall not have to sit any longer than is necessary. Therefore I would ask the hon. gentleman to let his question stand over until to-morrow and perhaps in the meantime I shall be able to figure out a little more closely how we are going to get along.

Mr. RHODES: May I say in answer to my hon. friend from Antigonish-Guysborough (Mr. Duff) that irrespective of the day we adjourn we should still require interim supply, and our object in asking for it now is that the bill may proceed to the Senate in order that there may be no delay in having assent at such time as may be convenient.

Mr. DUFF: I have no objection to that, and I do not want to hold up supply, but I think we should know about the adjournment before the house is asked to grant supply for May, and I would ask my hon. friend the Minister of Finance to leave his request for interim supply over until to-morrow so that the government can bring down their motion and inform the house when they intend to adjourn.

Mr. RHODES: Of course, Mr. Speaker, under the circumstances we cannot proceed, and there is no recourse but to accept the suggestion of my hon. friend.

ECONOMIC COUNCIL OF CANADA

CONCURRENCE IN SENATE AMENDMENTS

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister) moved the second reading of and concurrence in amendment made by the Senate to Bill No. 39, to establish an economic council.

Some hon. MEMBERS: Explain.

Sir GEORGE PERLEY: The amendment made by the Senate to the bill for an economic council is a very simple one. In the bill itself reference is made to the Prime Minister being the head of the economic council. The usual wording used heretofore has been "the member of the king's privy council for Canada holding the position of first minister," and the effect of the Senate amendment is simply to replace the word "Prime Minister" by those words. Until a few years ago no reference was ever made to the Prime Minister in any legislation, he being always referred to as "the member of the king's privy council for Canada holding the position of first minister." I know that in England there was a Chequers Estate Act of 1917 in which reference was made to the Prime Minister, as there was also in an act of this parliament incorporating the national committee for the celebration of the diamond jubilee of confederation, in which Right Hon. W. L. Mackenzie King was referred to as the Prime Minister. However, I see no objection to this amendment made by the Senate, because the words "member of the king's privy council for Canada holding office as first minister" are generally used. Therefore, I move concurrence in this amendment.

Hon. ERNEST LAPOINTE (Quebec East): There is no objection to this alteration. I am quite sure that this bill was not drafted by the law officers of parliament or of the Department of Justice. I am curious to know who did draft the bill.

Sir GEORGE PERLEY: I know that that has been the custom. I would remind my hon. friend that in an act passed to incorporate a national committee for the celebration of the diamond jubilee of Confederation his own leader is referred to as Right Hon. W. L. Mackenzie King, P.C., C.M.G., Prime Minister.

Mr. LAPOINTE: No doubt, but I do not think that act was drafted by the law officers of that time.

Mr. GARLAND (Bow River): In so far as this is an amendment to define more clearly the skull of the skeleton, I do not think there can be any objection on the part of those who believe in accepting the skeleton.

Motion agreed to; amendment read the second time and concurred in.

FARMERS' CREDITORS ARRANGEMENT ACT

CONCURRENCE IN SENATE AMENDMENTS

Hon. E. N. RHODES (Minister of Finance) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 10, to amend the Farmers' Creditors Arrangement Act, 1934.

He said: Mr. Speaker, the amendments are three in number and will be found in the minutes of proceedings of the Senate of March 20. The first amendment is an addition to section 5A of the bill. It reads:

> No proposal under this act nor the approval or confirmation thereof shall release any person who, under the Bankruptcy Act, would not be released by an order of discharge if the debtor had been adjudged bankrupt, nor shall the approval or confirmation of a proposal release any security given by any third person.

I understand it was thought that this amendment would make it clearer that the endorser is not released in respect of his obligations to pay the creditor if there is a proposal formulated with regard to a farmer. I am advised that this is merely declaratory of the existing law in all the provinces with the exception of Quebec, and that this amendment is suggested by the Senate with the object of making this applicable to Quebec, thus making the law uniform throughout the country.

The second amendment is an additional clause to section 12, and reads:

> Notwithstanding anything contained in the Bankruptcy Act, an insolvent debtor resident in the province of Quebec, engaged solely in farming or the tilling of the soil, whose liabilities to creditors provable as debts under the Bankruptcy Act exceed $500, may make an assignment for the general benefit of his creditors in any case where the board declines to formulate a proposal and certifies that in its opinion the debtors' affairs can best be administered under the Bankruptcy Act.

It was the opinion of the Senate that this provision should also be made applicable to the province of Quebec so that the farmer who is unable to have the board of review formulate a proposal may have available to him the provisions of the Bankruptcy Act, provided the board of review certifies that it is a proper case to come under the provisions of the act.

The third amendment is an additional section, which reads:

> The said act shall not, without the concurrence of the creditor, apply in the case of any debt incurred after the 1st day of May, 1935.

These are the three amendments.

Motion agreed to; amendments read the second time and concurred in.

GOLD EXPORT ACT

PROVISION FOR LICENCE TO BANK OF CANADA FOR EXPORT OF GOLD

Hon. E. N. RHODES (Minister of Finance) moved the second reading of Bill No. 42, to amend the Gold Export Act.

He said: Under the present act a licence to export gold may issue only to a chartered bank. This act was passed prior to the incorporation of the Bank of Canada, and this amendment makes it possible for a licence to issue to that institution for the export of gold.

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

On section 1—Licences for export of gold.

Mr. GARLAND (Bow River): Why should not the control of gold in all its aspects be under the central bank?

Mr. RHODES: This bill has reference to the Gold Export Act, which provides that the export of gold may take place only under certificate of the Minister of Finance. Hitherto such certificates have been issued only to the chartered banks. This bill has no reference to the gold holdings of the banks; it covers the sale of gold, which is a product of our mines.

Mr. DONNELLY: I understand that in the future the chartered banks are not to hold any gold at all; why, then, should they be given the privilege of exporting gold?

Mr. RHODES: This bill has no reference to a bank's gold; it has reference only to the export of the product of our mines.

Mr. McINTOSH: I should like to know if the Farmers' Creditors Arrangement Act makes provision for a counsel to represent a farmer appearing before a provincial board of review.

Mr. RHODES: I have seen very wide latitude allowed on occasions but I think it would tax the ingenuity of even my hon. friend to bring that question within the purview of the provisions of the bill now before the committee. However, I can say to my hon. friend that we have not yet been convinced that it would be in the interests of the farmers to have counsel employed. I gave the reasons for this decision the other day. No requests have been made to me that that course should be taken, and this would seem to indicate that the farmers as a whole are accepting the point of view that their interests are best served under the existing arrangement. As was intimated at an earlier stage of the bill, if it should be demonstrated that it would be in the interests of the farmers to employ counsel, the government will not hesitate to do so.

Mr. MACKENZIE (Vancouver): Is it the intention of the government that the chartered banks shall continue to receive licences for the export of gold?

Mr. RHODES: It is really a matter of convenience. For example, in the Yukon a licence issued to a chartered bank would prove of convenience to a shipper. If it were through Vancouver it would no doubt be the Bank of Canada.

Section agreed to.

Bill reported, read the third time and passed.

SALARY DEDUCTION ACT

RESTORATION OF FIVE PER CENT OF DEDUCTION FROM SALARIES, COMPENSATIONS AND INDEMNITIES

Hon. E. N. RHODES (Minister of Finance) moved that the house go into committee to consider the following proposed resolution:

That it is expedient to bring in a measure to authorize a deduction of five per cent from the amount of certain salaries or other compensations or indemnities payable by the government of Canada during the fiscal year ending the 31st March, 1936, and to provide for the payment out of the consolidated revenue fund of such amounts as are necessary under the proposed legislation.

Motion agreed to and the house went into committee, Mr. Morand in the chair.

Mr. RHODES: I should explain that the bill which will be founded on the resolution is similar in terms to the one of last year except that the deduction is five per cent instead of ten per cent. There is this exception however. It will be recalled that last year we removed the deduction from those up to and including the salary of $1,000 per annum. In this bill we have made a further step and have raised it from $1,000 to $1,200; in other words, those who are in receipt of $1,200 per annum will be in precisely the same position as they have been heretofore—no deduction will apply to them. It may interest the committee to know that—

Mr. VENIOT: They are still debarred from statutory increases.

Mr. RHODES: That is a consideration apart from this bill; it is a matter dealt with by the treasury board and is not a question of legislative enactment. By raising the figure from $1,000 to $1,200 the effect will be

to bring within the provisions of the measure some 4,000 temporary employees and 3,000 permanent. It will be remembered that last year those affected by the $1,000 provision were altogether 18,000 in number, and the total number now removed from the application of the salary deduction will be 25,000.

Mr. NEILL: This includes those receiving $1,200?

Mr. RHODES: Yes, up to and including $1,200.

Mr. CHEVRIER: My colleague and I, representing Ottawa, cannot say that we are fully in accord with this resolution, though of course we shall have to proceed on the principle that half a loaf is better than no bread and accept the resolution as it stands. We desire to say however that our acceptance of the resolution must not be construed in any way as the acceptance of the underlying principle, namely, that the ten per cent deduction was warranted. It was absolutely unwarranted, it was unjustifiable, and it was a curtailment of purchasing power to a devastating extent in this community. We reserve further comments until the bill which is to be introduced is brought down for second reading.

Mr. RHODES: In answer to the senior member for Ottawa, who has always been consistent in his opposition to the principle of a salary deduction, I may say that this bill provides a little more than half a loaf, because while it is true that only half of the salary deduction is applicable, on the other hand the whole loaf is extended to some 7,000 employees, and to that extent it goes a little more than half way in the endeavour to meet the situation. I am not going to repeat now what I have said in former years, namely, that it is not a pleasant duty to have to be associated with anything in the form of salary deductions, and I can only say once more that I regret the financial situation is such that we cannot make the full restoration. I think however that the civil servants, even those adversely affected to the extent of five per cent, appreciate the situation and realize that an extra five per cent means a little more than $3,000,000, which in these days is no inconsiderable sum.

Mr. LAPOINTE: When will the statutory increases be given to the employees? I understand that they have been stopped during the last few years, and in many instances those employees who were entitled to statutory increases and have not been receiving them have been contributing a good deal more than five per cent—more than ten per cent—because they are not getting the advantage of the augmented salary to which they would have been entitled.

Mr. RHODES: I only express my own view on the subject raised by my hon. friend from Quebec East, but it is a view which I have formed after giving a great deal of thought to the matter. The statutory increases were designed in the first instance to reward service; they were intended to apply only to those who were entitled, because of service, to receive increases. Unfortunately however, through carelessness down through the years, the increases became more or less automatic, and therefore those who richly deserved them were in no better position than members of the civil service who did not deserve an increase. It is unfortunate that because of that fact—and it runs into a large sum of money—many faithful employees who no doubt have earned and are entitled to increases have been debarred. I make that observation only in passing. I do hope the original intention of the act will be carried out in future, because on balance it would be vastly to the benefit of the civil service and of good civil servants if the statutory increases applied only as originally intended. However, that is more or less by the way. Coming directly to the question submitted by my hon. friend, I have a hope that during the recess we may be able to address ourselves to the question of statutory increases. I am not at the moment holding out the hope that a blanket increase, as has obtained heretofore, will be given. On that I am not expressing a final opinion. At all events, it will be our hope and purpose to deal with the question of statutory increases at the earliest possible moment.

Mr. VENIOT: As regards the statutory increases, it will be remembered that I took this matter up last year and directed the attention of the Minister of Finance to what I considered to be an injustice to certain members of the service. Let me give an example in point. Take the case of a man receiving $1,320 a year and still entitled to statutory increases up to a certain figure. In the last three years, 1932, 1933 and 1934, including the lack of his statutory increases and his ten per cent deduction, he has contributed to the benefit of the country in round figures the sum of $1,100, while a civil servant with a salary of $3,000 a year, who in 1932 was receiving all the statutory increases to which he was entitled, has contributed only $900 in the same period. There is certainly an injustice there, and it should be remedied.

I was going to make this suggestion to the minister at this time: Since he is reducing the ten per cent deduction to five per cent, he might consider the question of still further reducing it to, say, two and a half per cent in the case of those who have not yet reached the limit of their statutory increases under the law. The minister said that during the recess the government might consider some other scheme than that of a blanket deduction. That is a suggestion which he might consider. I claim it is unfair that civil servants who have not reached the limit of their statutory increases should have deductions made from their salaries at the same rate as that applied to those who have reached their maximum. Some remedy should be applied. Under the law civil servants are entitled to their statutory increases provided they fulfil certain conditions.

Mr. RHODES: Qualify that a little.

Mr. VENIOT: I am going to. When they are appointed by the civil service commission at a minimum salary, it is stated what their annual increase shall be until the maximum is reached, and that maximum is named.

Mr. RHODES: My hon. friend will recall that they do not receive that statutory increase as a matter of right. That is the point I want to make clear.

Mr. VENIOT: I am coming to that.

Mr. RHODES: They receive it only upon recommendation of the head of the department.

Mr. VENIOT: Not at all. I know in the Post Office Department—and I speak of it because I know it better than the other departments—they have to undergo a qualifying examination to show that their ability or efficiency is sufficient to merit the increase. When that is submitted by the deputy head of the department to the civil service commission, the latter investigate the matter, and if they find that those civil servants are entitled, under the conditions under which they were first appointed, to the statutory increase, they get it. In fact I claim that the government, prior to the time they started in to make the deduction, could not refuse the statutory increase once the order was approved by the civil service commission. What has happened in this instance through the action of the government or the treasury board is that the civil service commission have been debarred from considering the meritorious or efficient service of those who are entitled to statutory increases, and that is why they are not being considered under the statutory increase regulations. That is why I contend that an injustice is being done to those civil servants. If conditions had continued as in the past; if this depression had not taken place and if the treasury board or the government had not issued an order debarring the civil service commission from giving effect to statutory increases on grounds of merit or efficiency, those civil servants would be entitled according to their grade to statutory increases of from $60 to $120 a year. But they are debarred from obtaining that, and because of their being so debarred, under a blanket deduction from salaries, a civil servant receiving $1,320 is called upon to pay more than another who is receiving $3,000 a year. That is not fair.

Mr. RHODES: I want to say just a word and not to traverse the ground covered by the hon. member for Gloucester (Mr. Veniot) because that is a matter we have to deal with apart from this bill. As a matter of fact salary increases have been given in individual cases. I rose however merely for the purpose of saying this: I admit at once that there have been cases of injustice and some are quite serious. I have had of course to investigate these cases myself and of necessity they are bound to arise when one comes to the border line cases in any process of adjustment one attempts to make.

Mr. VENIOT: When a blanket deduction is made.

Mr. RHODES: Yes; that is the difficulty. I hope we are nearing the time when we shall be past that difficulty, and the committee will bear in mind the answer I gave to the hon. member for Quebec East.

Mr. CHEVRIER: I did not intend at this stage of the proceedings to say anything regarding statutory increases; I thought the proper time would be when the bill was introduced. There is only one matter I would like to point out to the minister. He has stated that while the return is five per cent, quite a large number of civil servants will be placed in as good a position as they were before.

Mr. RHODES: Seven thousand.

Mr. CHEVRIER: There is this feature about the matter that up to a certain point, as far as I can understand the situation, the five per cent will be returned, but every civil servant will now have to contribute the five per cent to the superannuation fund, whereas before those under a certain classification did not have to do so. Now they are getting back

their five per cent, but they will be asked to contribute the five per cent to the superannuation fund, so that they will be no better off than before. It may be all very well to say that this affects only seven thousand, but those particular ones are not placed in any better position than before. When we talk about putting them into just as good a position as that which they occupied before, the minister will remember that when this matter was under discussion in the first instance it was stated that when these deductions were abolished the service would be placed in exactly the same position as it was in before the deductions were made; that civil servants would not get any more but would not get any less than what they were entitled to. I agree with what has been said by the hon. member for Gloucester as to the statutory increases, but there is much more to be said when these matters are being considered. I do not think this is the opportune time to discuss the matter, but if the minister wants to abide by his word—that when the deductions are entirely eliminated the civil servants will be placed in the position that they occupied before the deductions took place—he will see to it that steps are taken to give back to the civil servants the statutory increases of which they were deprived and the amounts to which they were entitled. At present a large number of employees are acting in a capacity for which they are not being paid. If they have been promoted to positions in connection with which the salary range is very much wider they are performing duties very much more onerous and responsible. They ought to be paid for those duties, but they are still receiving their old salaries. However, I think the proper time to take up these questions is when the bill is in committee.

Mr. RHODES: I will resist the temptation to reply to my hon. friend and adopt his suggestion, which I think is very sound, that it would be better to discuss these matters when the actual bill is before the house.

Mr. MacINNIS: Did I understand the minister to say the government were going to consider further the matter of statutory increases and promotions?

Mr. RHODES: Yes.

Mr. MacINNIS: In that case I have very little to say, but I think the statutory increases and promotions, as they have operated up to the present time, have been very inequitable and discriminatory in regard to employees now in the service. I understand that if a permanent employee is promoted to a higher position, that does not automatically carry with it the increased salary that goes with the higher position. On the other hand if it is certified that there is no one in the department who can fill the position; if applications are invited from outsiders and someone is appointed temporarily to fill the position, that temporary employee receives the salary that goes with the position. I think it is absurd to carry on in that way. Surely if a temporary employee—of course he may be made permanent later on—is appointed to a position and given the salary that goes with it, the employee in the service who is qualified for promotion to a higher position also should receive the salary that goes with that position.

I do not know if the matter has been drawn to the attention of the minister in this way, but I hope he will give this point some consideration and, if possible, do something in the matter.

Mr. RHODES: I do not seek to question the circumstances as put forth by my hon. friend; they may be so, but I am not aware of them. Certainly it would be a very grave injustice if a temporary employee were allowed to come in and receive the salary that attached to the position while a permanent employee in the department who is looking for promotion should be denied that opportunity unless he accepts a lower salary. I will make particular inquiry in view of the suggestion of my hon. friend, but he will realize that this has no reference to this bill as such. Certainly it will be considered in connection with the whole question of statutory increases.

Resolution reported, read the second time and concurred in. Mr. Rhodes thereupon moved for leave to introduce Bill No. 53 to provide for the deduction in compensation in the public service.

Motion agreed to and bill read the first time.

INCOME WAR TAX ACT

INCOME TAX OF JUDICIARY, MILITARY, NAVAL AND AIR FORCES AND POLICE

Hon. E. N. RHODES (Minister of Finance) moved that the house go into committee to consider the following proposed resolution:

That it is expedient to provide that the members of the judiciary, and the members of the military, naval and air forces of Canada, and of the Royal Canadian Mounted Police, other than enlisted men, shall be liable to pay a special income tax of five per cent upon their salaries received during the fiscal year 1935-36, in addition to any other tax payable under the act.

Motion agreed to, resolution considered in committee, reported, read the second time and concurred in. Mr. Rhodes thereupon moved for leave to introduce Bill No. 54 to amend the Income War Tax Act (Special Tax).

Motion agreed to and bill read the first time.

REHABILITATION OF DROUGHT AREAS

DEMONSTRATION AREAS AND INVESTIGATIONAL WORK FOR RECLAMATION OF DRIED OUT LANDS IN WESTERN PROVINCES

Hon. ROBERT WEIR (Minister of Agriculture) moved that the house go into committee to consider the following proposed resolution:

That it is expedient to bring in a measure to provide for the rehabilitation of drought areas in the provinces of Manitoba, Saskatchewan, and Alberta, and for the appropriation for the said purposes of such funds as may be necessary to carry into effect the proposed legislation.

Motion agreed to and the house went into committee, Mr. Morand in the chair.

Some hon. MEMBERS: Explain.

Mr. WEIR (Melfort): Mr. Chairman, at this stage there is very little to add to what has been said already in this connection. It is proposed to carry on investigational work and at the same time give a demonstration of what we believe can be done with the co-operation of the farmers in these large drought areas. The policy we propose to follow if this bill receives the approval of the house is to set aside small areas where there has been a certain measure of success attained by the farmers through their own efficiency, in spite of the great difficulties with which they have had to contend during the past number of years. It is felt that these areas are so localized at the present time that the efforts even of those farmers have been frustrated because of the conditions immediately surrounding their own land. It is proposed to set aside five very much larger areas, corresponding to a township or thirty-six square miles, three in Saskatchewan, one in Alberta and one in Manitoba. We propose to carry on these investigations and at the same time demonstrate what can be done in the way of reclaiming areas that have been abandoned entirely and given up as well nigh hopeless.

In addition to that a program is being undertaken to increase as quickly as possible the development of the best grass seeds, grains and clover seeds, and to make them available in these areas, if it is demonstrated in the present year that they will do what we hope may be done with them. Further, tree planting will be carried on to a limited extent in the first year, increasing in extent from year to year. Careful plans have been drawn up in an effort to assist the farmers and the ranchers in the conservation of the water in the district. Throughout the whole program it is our purpose to assist the farmers, and to demonstrate whether or not the people in these areas can continue to live there with only very little more moisture than they are now receiving. Our first aim is to do everything possible to make these people self-sustaining. Secondly we must decide which areas are best suited for grain growing, which are best suited for ranching, and the best way to handle those areas which are intermediate.

Mr. BROWN: With the purpose of the proposed bill I am in entire agreement. One of the tragedies in the west is that we have districts which in years past have produced enormous crops of grain, in which there were splendid houses and other buildings but which are to-day abandoned and in some instances are almost in the condition of deserts. I believe that is one of the greatest tragedies witnessed in Canadian history. Certainly I should not like to say anything which could be interpreted as being in opposition to the principle of the bill, but at the same time there is a possibility of becoming too optimistic as to what may be accomplished. For instance, reference has been made to the conservation of water supply. That is all to the good, but my opinion is that it will not have as great an effect upon the rainfall as some people seem to think it will have. If it were true that the damming up of streams and the creation of reservoirs of moisture would increase the rainfall—and after all, that is the great consideration—we might very well ask: Why was it that in 1870, 1880 or 1890, at a time when we had many lakes scattered throughout that country, we came upon a period of drought? Of course it may be contended that drainage was a factor in the problem. I question that argument, however, because in the part of Manitoba with which I am familiar drainage has been carried on only to a very limited extent. Outside of the Red river valley the drying up of the sloughs was not brought about by drainage, but simply by a continued lack of rainfall.

Many newspaper correspondents have written concerning this matter, but there has been a failure to take into account the fact that western Canada passed through previous periods of drought, of which fact abundant evidence is available. From my own experience and observations, extending over a period of

fifty-three years, and dating from the time I first came to the community, I could speak with some authority on the point. In the early eighties there was abundant moisture, but there was evidence that a few years before that time there had been drought. During the greater part of my fifty-three years in that community I have lived in township 4, range 11, section 10. On section 3, immediately south of the one in which I reside, there is what is described on the surveyors' notes as Dry Salt lake. That township was surveyed in 1872. I have in my possession the surveyors' notes, and for that reason I know this particular spot is described as having been Dry Salt lake. Yet, in my time I have seen eight feet of water in that lake. I recall having discussed the matter some years ago with a man who had been in that district four years prior to the time I came, and as a point worthy of note he mentioned that he had picked strawberries between the water and the bush. At the time he spoke however the water was right up to the edge of the bush. This particular township is wooded, a point to which I shall make further reference later.

I have seen eight feet of water in the lake, so I believe it reached its maximum point about the year 1882, and has varied from time to time. Last year some hundreds of tons of coarse hay were cut upon the marsh. As further proof that there must have been a considerable period of drought may I say that on section 12, not far from my home there is another lake. When in the year 1885 I first saw it the lake was right in among the hills and the water reached right up to the edge of the bushes. Dead trees four or five inches thick were standing out in the water, proving that for a considerable number of years there had been dry ground at that point. The lake was full of water in 1885, but has since become dry. I know of one instance where the old Missouri trail, an old buffalo hunters' trail which used to run from Winnipeg to the head waters of the Missouri, ran right into and out the other side of that which in my time, at the time I first saw it, was a marsh. Evidently the trail through the marsh had been travelled when it was dry. Therefore I believe we must question the possibility of our being able to influence rainfall to the extent we may hope.

In making this observation I do not wish it to be understood that I am attempting to discourage anything now being done. That country was dry, but I believe it is true to say that in those days the soil was not blowing as it is to-day. About the year 1887 I can recall an occasion when some men from the Regina country came to my section of the west. If I remember correctly two families came down, and one of the men told me that in two years they had not been able to grow enough grain to feed a hen. Yet we know that in years following those Regina plains produced enormous crops of grain. I could give many evidences of the fact that in earlier years the west passed through a long period of dry weather. The drought was evidently just as great then as it is at this time, and so while the conservation of moisture and the building of dams to hold water is all to the good, I question very much if it is going to realize the expectations of many that it will bring about increased rainfall. I may say the same in regard to the planting of trees. The township in which I live is a timbered township along the edge of the Pembina river valley. There was an abundance of moisture there in those early days, but while it was a timbered country I doubt very much whether the difference in the amount of timber that was there then and what is now there was sufficient to affect the rainfall, if it does affect the rainfall at all. Timber grows because there is rain, and I doubt if the rain comes because there is timber. I think it is the other way, and I think we are confusing cause and effect in that matter.

I doubt very much if the planting of trees can be carried on to any great advantage. The fact of the matter is that many groves that were planted and which flourished well during periods of moisture died last fall. I have in mind particularly one fine grove which for years was a beauty spot, and yet when I passed by it last year following the dry season I noticed that it was all gone to nothing. So I have grave doubts whether tree planting in view of the drought conditions can be made a success from the point of view of attracting moisture.

As to what the minister has said with regard to the distribution of grass seeds and bringing back the land into grass, and as to the conservation of the moisture supply, I think that is all to the good, but I have felt that in many of the discussions that have taken place in the press and elsewhere with regard to the matter sufficient importance has not been attached to the fact that the western country has passed through long periods of drought in times past when there was not any great number of settlers in that part of the country engaged in agriculture. I remember distinctly talking with a descendant of one of the old time Selkirk settlers, and he told me that for two years in succession back in the sixties, I think it was, they had to take their cattle from Winnipeg up to Portage la Prairie. Another old timer, a Norwegian who

came out in the early days and was a Hudson's Bay Company employee, said he had seen the Red river so dry that he could step over it. It was inconceivable to me at that time. These are facts that I think the public should know when we are entering upon a scheme of this kind. I do not say that to discourage the efforts that may properly be made to overcome the difficulties of the drought situation as much as it is possible for us to do, but at the same time I think we should be prepared for what may possibly happen, that the outcome of our activities may not have all the effects that we may wish them to have, and that after all we may have to wait for nature to take its course and provide recurring periods of abundant rainfall.

Mr. WILLIS: Mr. Chairman, as one who comes from the drought area of Manitoba I should like to place a few facts before the house. First I should like to point out to those who do not come from the west that the section of Manitoba known as the drought area of that province is a settlement of Ontario citizens. I point that out particularly because sometimes we think that those who are experiencing these conditions out there are of a different sort from ourselves.

I should also like to point out that in that drought area of Manitoba the general practice is to engage in mixed farming, and not to engage in the practice that has been described in this house as mining for wheat. That area was opened up about 1885, and from it many fortunes have been made. Thousands of people have made their money there and moved to the Pacific coast or elsewhere, and at the present time it is largely the second generation that is there.

In the drought areas of Manitoba there are thirteen municipalities. Five of them are in what is known as drought area A; they have suffered for five years a complete crop failure. The eight municipalities in drought area B have for two or three years suffered a crop failure. The land value of these thirteen municipalities is some $56,000,000. The annual crop value within these municipalities, as it was formerly, was some $20,000,000. I realize that in the province of Saskatchewan you could multiply those figures many times over, but that is the situation in Manitoba. The average rainfall there in the past has been some fifteen inches per year. I point that out with a view to demonstrating that the reclamation of that area is completely worth while from a national point of view.

The present situation within that area is that we are now having about one-half of the normal rainfall, the streams have largely dried up, the soil has drifted, with the result that the rate of evaporation has increased, and relief has become general. But the particularly bad feature which I desire to point out, and shall probably stress again, is that the drought area is expanding. Dry winds due to the conditions there have a much greater scope, with the result that more moisture is needed now than was needed in the past. The crop last year within that area was approximately one per cent of the crop which we had in 1928 in the municipalities within drought area A.

It does not help us much to say that conditions south of the line—we are close to the international border—are much worse, but actually they are much worse. The present situation however presents an opportunity, and a special opportunity, of guarding against a recurrence of these conditions. When times were good people would not bother with reclamation, and that is why the present time creates a special opportunity with regard to the projects which are now going forward. I say that this question has a national aspect due to the fact that the drought areas are expanding, and some of those who now sit complacently back may in the future, if nothing is done, face a similar situation even if at present they are not affected by the drought conditions. The people of the district from which I come never suspected in the past that these conditions could obtain there at all. We believed that we had good soil. We have close to that area the Turtle Mountain forest reserve, giving a degree of protection which is helpful. I want to point out to those farmers who do not live in the drought areas that they are carrying on precisely the same practices that we in the drought areas carried on in the past, with the result that they are themselves inviting the same conditions, and if a change is not made they will receive that which they invite. Therefore I think it is absolutely necessary that we plan now, or we shall face worse conditions in the future. I think Joseph was right, that years of plenty are followed by years of poverty, and that that will happen in the future. The dry area itself might be likened to a mighty octopus which is constantly pushing its tentacles into new territory.

I think the proposals outlined by the Minister of Agriculture (Mr. Weir) will prove very helpful. According to articles which

have appeared in the press, he has been working on these for some time. I should like to quote a Canadian press dispatch dated September 5, 1934:

"Officials of this department have made extensive studies of the driedout district," the minister explained. "We have much data with regard to blocking streams, thus holding back the water, lands that should be planted with trees and in regard to the proper grass for other districts.

"Anyone who looks back over the great crops those districts have produced must be convinced that with proper methods they could be saved and made big producers again," Mr. Weir said. "Carefully planned and coordinated effort is necessary over a term of years."

The Mail and Empire of September 6, 1934, quoted the minister as follows:

The Minister of Agriculture has a plan for the districts in which soil erosion prevails. He would remove them from provincial jurisdiction and form them into a federal area. Then he would inaugurate a policy of strip farming along with the cultivation of suitable grasses and coarse grains. He has expressed the belief that within ten years it would be possible to alter the entire face of the countryside, to bring the land back to its old fibrous state, and to have the farmers self-supporting during the process. His scheme would include the damming of streams for a more effective use of the water supply which is available.

A little later Premier Bracken of Manitoba made a valuable addition to the discussion of reclamation. It might be interesting to note that the premier is a dry farming expert and I believe his textbook in connection with dry farming is generally accepted by agricultural colleges. On October 25, 1934, Premier Bracken put forward certain proposals in this connection. The first was the offer by the provinces of the services of such technical men and departments, without charge, as can be utilized in the prosecution of such a major project. The next was the appointment by the dominion of a coordinating body to correlate the thousand and one efforts being made in a variety of directions by many individuals, both in and out of public service, and by many departments both of governments and of universities. The third was the provision by the dominion for the necessary additional finances to ensure the successful carrying out of a sane, well-balanced program over the next ten years. The fourth was the active and sympathetic and generous cooperation of individuals, communities, railways and governments in a joint effort to solve a major problem.

I believe the proposals made this afternoon by the minister more than cover the suggestions made by Premier Bracken. Other aids are to be provided in connection with this matter of reclamation. The government is to furnish the very necessary funds, and perhaps that is most important. The plan of setting a township aside for demonstration is very good as this work should be done on a large scale. Smaller demonstration plots will be laid out to show what can be done by the individual intelligent farmer. I think great care has been taken in the preparation of these proposals but I would suggest that the experience and opinion of the men who may have lived in a dried out area for forty years or more should be considered. I have confidence in experts but I have greater confidence in a man who has demonstrated over a period of years that he can carry on successfully in spite of drought conditions. I was glad to note that the minister called into conference at Ottawa experts from different parts of Canada. I might mention in particular Mr. T. C. Main, who has given a great part of his life to the study of this particular question. Much material has been gathered on this subject, but the time has come when it should be demonstrated whether or not the different theories will work.

The hon. member for Lisgar (Mr. Brown) stated that dams will not make rain. That statement may be correct but at the same time dams will prevent the actual rainfall from running off the land. Many mistakes have been made in the past. The practice has been to drain any pond that might be located on a farm in order to obtain more land. The result was the drying up of more land. The same thing was done in the case of lakes. There was a large lake in my area known as Whitewater lake. An attempt was made to drain this lake in order that the land which it covered might be cultivated. The result was that the surrounding district was made much drier that it had been in the past. The construction of roads has had a harmful effect. In the province of Manitoba alone there are 3,600 miles of highway with ditches on both sides. The result of the building of these ditches has been the running off of thousands of tons of water which could have been conserved. It is very necessary that streams should be damned up, as well as any small runways. This would prevent the usual spring runoff. This is an engineering problem but I believe much assistance could be given by men who have come through these difficult times. They know from their own experience just what should be done. I would point out that the Souris river runs right through the drought area of Manitoba and this river could be used for demonstrating the value of dams throughout drought area A, the worst district in the province.

The hon. member for Lisgar pointed out that you must have rain before you can have trees. I would point out to him that trees have been planted and have continued to grow within these drought areas. During the last four years I have planted some fifteen hundred trees on my own farm and I believe at least ninety per cent of them have continued to grow. Our practice in the past in connection with trees was very bad. Many trees were cut down and in some cases where they could not be cut down fast enough, a fire was started. The result was that in addition to wasting wood which could have been used, we lost the benefit which would have been derived from the trees. Shelter belts are most necessary. In spite of what has been said by so many experts, I think we must turn to England and Russia for proof that the planting of trees has proved of tremendous value. In England 45,000,000 trees are planted each year and I think this is some indication that they are not doing it just for the fun of sticking trees in the ground. Such planting has a definite value in the wood produced besides preventing soil drifting to a certain extent. The Russian experiment in the planting of trees has proved a success. Demonstration plots which have been laid out prove that trees provide a greater conservation of moisture and bring about an increased rainfall. The rainfall in the northern part of Manitoba has been only slightly greater than that in the south, there being probably a difference of an inch of rain during the year. In the north they have had good crops but they have not had such crops in the south. We could have conserved that moisture in the south by trees or by cultural practices, and we should have had in the south, had we done so, as good a crop as they had in the north. Dean Shaw of the university of Saskatchewan is an expert who points to the value of cultural practices but overlooks the value which may accrue from the planting of trees and the building of dams. In the past we have misused the soil. Our cultural practices have been to get as much wheat in one year as possible, trying it again the next year, and continuing in that way. We have not had the summer fallow every second year, nor have we had to a sufficient degree strip farming. We have kept on getting as much out of the land as we could and have not replaced by means of fertilizer anything we have taken out, with the result that the land has been steadily getting poorer. It is necessary through these cultural practices to save if possible every ounce of moisture which comes to the land. By these practices also we could stop the general runoff of water in the spring. These practices are of great value. But what happens when you call in an expert? Dean Shaw, for instance, seems in my opinion to be able to see cultural practices only. Call in experts in regard to trees and they can see only the trees, and the engineer believes that you have only to use the dam in order to conserve the water. I am glad to note that in the present program it is intended to use all these experts for what they are worth, giving them an opportunity to demonstrate whether they can actually create the conditions which they think they can. The minister indicated today that grasses are to be used which will demonstrate that pastures can be created. If it is possible to get grasses sufficiently hardy to be used on the submarginal lands, then in the future we shall be able to have larger pastures, such as we ought to have had in the past, and we shall then be able to go into mixed farming in a way that we have not done in the past. If possible those lands which are known as the light lands should be taken out of cultivation. It is a most heartbreaking thing to see people moving into a district and going on a farm which has never in its existence yielded a proper return to anyone who owned it—to see newcomers going on such a farm, spending a few years on it only to leave and be replaced by someone else who will work his heart out trying to earn a living on submarginal land.

Crested wheat grass has, I think, undoubtedly proven that it is of tremendous value provided you can get it started. That is the real difficulty. You need a certain degree of moisture before you can get it started. I planted crested wheat grass and was unsuccessful owing to the fact that there was not sufficient moisture in that area. Where it can be started it is of considerable value and we should use it. We should also have larger pastures than we have had in the past.

The need for action is immediate because seasonal preparations are being made at the present time within that area. Certain farmers are moving out to other areas and if they knew what was coming some of them would remain while others would not. It is immediately necessary to demonstrate what can be done in order that these people may know precisely where they stand. I would urge that the farmers themselves should be consulted, and I am glad to note that that is contemplated in the plan with regard to the smaller areas. The plan would indicate that certain farmers who in the past have been

fairly successful will be given assistance to demonstrate to the rest of the community what can be done under these conditions. In connection with the plan itself, I very much fear the return of good crops. That may be a strange thing to say, but I fear it for the reason that if good crops return we shall never have a reclamation scheme and therefore we shall not be able to demonstrate, as we should have demonstrated in the past, that these dry periods recur from time to time. The hon. member for Lisgar (Mr. Brown) spoke of times in Manitoba long before I was born and gave evidence to show that such periods have occurred before. We should bear in mind that they have occurred before and probably will occur again. That is a most important thing to keep in mind, because when we are having good crops we think that they will get better every year. I submit that we should not be caught napping again as we have been in the past. Future rains will blot out the memory of the dry periods, but such periods will come again and we must be prepared for them.

I should like the minister to bring his experts to the area I represent so that they may see the actual situation for themselves and understand it from firsthand knowledge. This is very necessary. It is all very well to visualize it 1,500 miles away, but it is different when you go there and see conditions as they are. Had they been there in 1925, 1926, 1927 or 1928 they would have thought that in that country we had the finest land in Canada. In times of adversity we must remember that formerly lands flourished and bloomed, and in times of plenty we should remember on the other hand that sand piles up and in some instances the winds do much damage; the fence posts entirely disappear and you have a condition that suggests the sand dunes of Africa. As I say, these conditions will occur again and every possible aid should be employed to meet the situation.

I should recommend the use of the Canadian Conservation Institute, which has started in Winnipeg and, I think, will spread to other parts of Canada. It is a very useful organization, gathering material and giving advice which will be helpful in the solution of the problem. I think also that the National Research Council should be used. No doubt it will be used for various purposes to overcome that difficulty. That council in the past has given inestimable advice with respect to various problems that confront this country and it can do so again. We must if possible avoid the practices that have prevailed in the past of cutting down timber, mining the land instead of having the summer fallow, and so on. These things must be avoided in the future and we must start our reclamation program. This must be started at once lest greater harm be done than has so far taken place. This calls for action and I would point out that if something be not done now the opportunity will be lost as far as reclamation is concerned, because the country will come back and demonstrate its ability to produce crops. If that demonstration takes place immediately all thought of reclamation will be forgotten and those who follow us will go down as we have done and discover once more that Joseph was right. Dry periods necessarily follow periods of plenty.

Mr. BOTHWELL: Coming from the drought area of Saskatchewan, I appreciate very much the action the Minister of Agriculture is taking in bringing this legislation before the house. I am also glad that there is apparently some cooperation between the minister's department and the same department of the Saskatchewan government, and I hope during the administration of this reclamation scheme that cooperation will be continued. It is not my intention to endeavour to advise the minister how that area should be reclaimed. He has in Swift Current an experimental farm that has been studying the situation for the past five years, ever since the drought affected us so seriously. All the information that has been collected there is available to him, and various men from the west have made written reports on what they believe should be done. The minister in his opening words to-day said that it was the intention of his department under this legislation to carry on investigational work. I understand from that he means that he through his officials will consult with the old residents in that area, gather what data they have collected during many years of actual living there, and will, without tying himself to any particular scheme, put into effect the plan that all this data will lead him to believe is the proper one to adopt in order to reclaim that district.

The hon. member for Souris (Mr. Willis) made a remark which I want to stress to some extent. He said that in dealing with the situation there, "We should not overlook the men who have carried on without assistance in spite of drought conditions." In other words, the men who have been able to make a success, although to a very limited degree, of their farming operations, must not be overlooked in any reclamation project that is put

into effect. One of the most important matters in connection with this whole project in the drought areas of the west is to bring back again to the people living there a little bit of the morale they had a few years ago, and those who have carried on in spite of the most adverse conditions must be encouraged to continue what they have done in the past. I have before me a letter from one of those men who have never received any relief. He has made his living off the land in some kind of way, and he has become actually discouraged with the situation in which he finds himself. He sees his neighbour willing to accept relief to the extent of hundreds of dollars; he realizes that if this land is ever reclaimed he is going to have to help to pay for that relief because it may not come out of the individual who gets it now, and he wonders whether it is worth his while to continue living as parsimoniously as he has done; if it is worth his while to continue to try to make ends meet. I want to read just a word or two from that letter, because I think it will give to those in the east who hardly realize what the people in the drought area have gone through, some indication of the situation. He says:

> I have had no crop for the last five years, not much prospect for next year.

This letter was received by me on December 8, 1934. He goes on to speak about the matter regarding which he has a complaint to make:

> The railway cut my land in half, put gates in just wide enough to get through with four horses, when we go through with six or eight we have to unhitch.

That is only one extract from that letter. In a subsequent letter he says:

> I am enclosing statement received from the board. I understood that the debt adjustment board was to help us poverty stricken farmers out of some of our difficulties. If they serve others as they have me we are just as well without them. Five years' crop failure with implements worn out, buildings going to ruin, before this can be paid I will owe them more than the place is worth at seven per cent interest, they sure are generous. In 1931 some of my neighbours got between $400 and $500 in relief; what happened, it was given to them. I never got one cent of relief. I schemed; what we couldn't get we done without. Again in 1934 some of my neighbours had as much crop as I did. No, sir, they didn't save it for seed, it was sold; let the government furnish the seed, clothes and food. Encouraging!

I am going to make this suggestion to the minister and also to the Minister of Finance: A little while ago we were discussing the Farmers' Creditors Arrangement Act, and I drew the attention of the Minister of Finance to some of the difficulties that we encounter in the drought area. I believe it is necessary for all departments of government that are concerned with that area to endeavour to make arrangements whereby debts will be reduced. Let me put the matter in this way. The farmers who went out into those districts some years ago invested what money they had, and spent years of work trying to build up their farms, used just as good judgment as did the men who bought dominion government bonds, and the former constitute a more valuable asset to Canada than do the men who bought the bonds. Those farmers have put in their lives in that district and many of them are now up in years. In the past five years they have seen the work of their whole life go by the board. At best their holdings are not now worth more than fifty per cent of what they were worth a few years ago, and as a matter of fact most of those lands could not be sold at the present time at any price. After using just as good judgment in going into that area as anybody else in Canada used in making investments, they have seen the work of a lifetime cut in two, and in many cases it has vanished altogether. It is really a famine condition in that area. In my opinion there is no use telling those farmers: We are going to work out some reclamation scheme and after we get it worked out, we expect you to follow our instructions and to pay those debts that were incurred on the land at the price at which it sold before we realized it was a drought area; debts that were incurred at a time when farmers were receiving high prices for their products, and we expect you to pay interest thereon. I honestly believe there must be a substantial cut in all debts in that whole drought area. Mortgage companies will have to take their losses. Some people say the mortgage companies only borrow their money from estates, from widows and orphans and so on. I do not know how many widows and orphans are going to suffer through a cut in that debt structure, when you come down to the final analysis, but I do say that the people holding securities in these mortgage, trust and insurance companies can better afford to take the loss than the men who are struggling to reclaim the land. I believe these people can well afford to share that burden. It is not fair that this group of men and women and children as well, who have done everything in their power to carry on, should bear all the loss resulting from the calamity that has overtaken them. If the land was not fit for cultivation the government never should have opened it for settlement. They encouraged the people to

go there, and I say they were encouraged to put forth the efforts they have expended on the land.

Just in order to strengthen what I have said, or that my words may endorse what has been said by these people, I want to read part of a resolution that was passed at a certain gathering of farmers, who realize their rather hopeless situation. They do not ask for a fifty per cent reduction in their debt, though I believe it would be in the interests of all concerned if a general reduction of fifty per cent could be made throughout the whole area. This is what they ask for:

1. That all arrears of taxes be reduced fifty per cent and the remaining fifty per cent be then consolidated.
2. That owing to the shortage of horse power and the poor state of farm machinery and farms (very few machines having been purchased during the immediate past five years) sufficient funds be retained from the first paying crop to replace worn out and aged horses and repair and replace the essential machinery so that the business of farming may be carried on efficiently.
3. That interest on all debts from January 1, 1929, to date of adjustment be cancelled.
4. That all short term mortgages and agreements for sale be extended for a period of at least twenty years from January 1, 1935.
5. That all existing long term mortgages be extended for a period of at least five years.
6. That interest on all mortgages be reduced to a maximum of five per cent.
7. That mortgage company's share of crop be not more than one-quarter clear and that no share be payable to mortgage company unless the balance of crop left for the farmer be at least ten bushels per acre of wheat out of which the farmer must furnish seed, pay taxes, thresh bill, etc.
8. That when wheat yield is not more than ten bushels per acre, only taxes be paid and that time payment on all other debts be automatically extended for one year; also that no pressure be brought to bear on any debtor when wheat average is ten bushels per acre or less.

That may sound, to people in the east, rather an extreme resolution, but as the hon. member for Souris knows and as many hon. members on this side who have been through that drought area also realize, it is impossible to reclaim that area unless the farmers who are still there can be encouraged to carry on. I believe it is as important as anything the minister can do to restore the morale to those people.

Now just a word in regard to the towns and cities, particularly the city of Swift Current, which I represent. It was not exactly through drought conditions that this city got into financial difficulties; at one time it was sort of a boom town. We grew a little too fast; we spent too much money, and then we met with certain misfortunes. Some years ago that city had to approach its creditors. An adjustment was made; the time for the payment of the indebtedness was extended for a period of five years; interest was reduced, but nothing was done in regard to the principal. That agreement was renewed for a further period, and at the time of the renewal all interest in arrears other than the percentage that was agreed to be paid was wiped out. Within the next year or two we will have to make a further adjustment with these creditors, by reason of the expiration of that agreement. Conditions are very much worse now; something over twenty-five per cent of the population are on relief. The other day the mayors of many Canadian cities were in Ottawa, and most hon. members of the house know the situation that exists in those cities. In addition to having twenty-five per cent of the people on relief there is another large percentage of people who are not able to pay their taxes. As a result the cost of relief in that city—and it is not alone by any means—is falling on fewer and fewer ratepayers all the time. When the time comes to consider the renewal of the agreement I believe the only fair thing so far as the people of the community are concerned, and also so far as the creditors are concerned if they ever expect to get any principal, would be to make a straight cut of fifty per cent of the indebtedness. The property there is not worth fifty per cent of what it was worth a few years ago. It simply means that the debenture holders have made a bad investment, just as some of the people living in that city have made a bad investment, and both will have to share the tragedy that has come upon the country.

The illustration I have given in regard to the city of Swift Current applies equally well to the whole drought area. I have a similar resolution from another town out there. I need not mention the name, but I understand a copy has been sent to the minister. The resolution states that it is impossible for the ratepayers to continue to carry the burden of relief. We heard that statement so often in connection with the visit here of the mayors of the various western cities that I need not labour the point. When we have the minister here working with the Saskatchewan minister of agriculture—and I am speaking particularly of the province of Saskatchewan and that portion of the province within the drought area—who was one of the officers of his own department until a year or so ago, a gentleman of whom I am sure he as well as I have a high opinion, I am sure the difficulty will be solved as far as that may be possible.

Hon. J. G. Taggart, Minister of Agriculture of Saskatchewan, has a plan which I should like to read to the committee, and which I believe will work well in conjunction with the plan outlined to-day by the Minister of Agriculture here. Mr. Taggart's proposition is as follows:

> Divide the province into a number of small units, each comprising some eight municipalities. Into each area send a person armed with available information regarding the climate, soil, crops, finances and other records concerning the locality. This person, to be made available through the aid of the University of Saskatchewan, would confer with municipal heads and farmers of the locality, glean from them their experience, and then form a basis for immediate action.
>
> Certain lands might have to be abandoned; others could be put to different uses; new lands might be opened up. Generally, agriculture could be reorganized and reestablished on the basis of scientific information.

You see the picture we have; the federal Minister of Agriculture operating three experimental plots in scattered portions of the drought area of the province of Saskatchewan. Those plots would consist of one township each, and all possible information would be obtained from the experiments, such information being passed on to the provincial department in Saskatchewan. Then we have a supervisor for every eight municipalities in the province who would be disseminating this information, advising the farmers, consulting with them, examining their soil, telling them what their land could be used for, telling them what kind of crops their lands are best suited for, and how they should be worked and operated. If there is any possibility of saving that country I believe this action should do it. If in addition the minister would consider the matter of debt structure in the drought stricken area, and working through the appropriate departments in conjunction with provincial authorities, would consult with the mortgage companies and others holding claims against that area and would recommend making a reduction to give encouragement to the farmers, I believe in the course of a few years those areas of Manitoba, Saskatchewan and Alberta could be reclaimed.

Mr. WEIR (Melfort): So that I will not omit any points which have been raised I shall take this opportunity to deal with some of the observations made by hon. members who have spoken. The problem which has confronted departments of agriculture is one which is known in one way or another to almost every person in Canada. The challenge to those who hold positions of authority is whether or not we have left undone anything which should have been done to alleviate the difficulties through which those people have passed. In passing may I pay a tribute, one which I believe is hardly necessary, to the fact that although during the last four years millions upon millions of dollars have been poured into that large area of Canada this is one expenditure upon which all Canadians have agreed, and against which no criticisms have been raised. But the load the country has carried in endeavouring to assist the people in that area who through no fault of their own have found themselves in these unfortunate circumstances, pales into insignificance when it is compared with the load which the people in those districts have carried. No words could describe their difficulties as emphatically as a first-hand observation of the difficulties under which they have been living. I realized that fact when last October I attended a meeting of farmers and farmers' wives held in the midst of one of the larger drought areas. One could see unmistakable evidence on the faces of those people who sat in front of me at the meeting of the trying conditions through which they had lived. The lines in their faces were sufficient evidence for any person. Despite their difficulties however, with the optimism of pioneers still in them they were building and planning in the hope that conditions would improve.

The hon. member for Swift Current (Mr. Bothwell) has stated truly that all they need is something to keep up their morale, and it was with that in mind—together with other points which I did not think we would have discussed in such detail at this time, but would have waited until the bill was before the committee—that we have asked the mortgage companies of western Canada to name at least one of their ablest men to act on the advisory committee, and it is again for that reason we made a similar request of the bankers' association, and some other organizations. If this is a national problem the whole country must work in cooperation. No person realizes more than I do the difficulties which must be met; there is a part which each must play. Those people living in the areas will devote their time and I believe they will do that voluntarily because I have under my hand a summary of the offers which have been made since this project was given publicity. As these offers have been received they have been passed on to a small committee and have been listed, and following that investigations have been made to ascertain those who could best help.

The people living in the district will give their time, their labour and will make avail-

able the land they own. Our work is to give them all the expert advice and assistance we can give them. At this point may I correct an impression which seems to be general. There is a tendency on the part of certain people to associate experts with theoretical people, and I do not believe that association is fair. The experts, so called, who will deal with this problem in both the provincial and federal departments, are not theoretical people. They are experts because they know the practical difficulties, and no people can appreciate to a greater degree than they can the great efforts, the success and the intelligence of the farmers who throughout this time have made a success of farming in those areas. The whole program has been built around those key men, because all will admit that they know more than any other people about the difficulties and the efforts which have been made towards a solution of those difficulties. Many farmers right in the worst sections of the dried out areas have had crops and, as the hon. member for Swift Current has stated, have been able to carry on. It is almost impossible for us to understand how they have been able to do so. We have investigated the reasons for their success as compared with the lack of satisfactory results obtained by farmers around them.

Upon a number of occasions the hon. member for Swift Current expressed the hope that there would be and the belief that there should be cooperation in this matter. To entertain any possible doubt of cooperation in the matter would, it seems to me, almost amount to a criticism of my efforts. To satisfy the hon. member and other hon. members who may follow him may I say that a national advisory committee on agricultural services has been set up in each province of the Dominion of Canada. That is, in each province of Canada joint committees are interlocked. Here we may have a committee on grain, on livestock or on grasses on which there would be a representative of the province, one from the agricultural college and one from the federal Department of Agriculture. Those committees are doing investigational work in their own particular lines of agriculture. They are not acting as separate units, but act in cooperation, and will continue so to do. At the present time in the province of Saskatchewan and in the other provinces work of this very nature is being carried on. These committees do not proceed each in its own line; they meet two or three times in the year to review all available information to bear on the problems remaining to be solved. For that reason I say that in the ordinary acceptance of the term we have not separate departments. So far as agriculture throughout the dominion is concerned we work as one body, and could not work more closely if in fact we were concentrated in one department. I have no doubt the hon. member for Swift Current had not realized just to what extent the cooperation has been exercised.

Mr. BOTHWELL: In uttering those words it was not my intention to express any criticism in that regard. It was really to set at rest some of the rumours that have been circulating and which I thought should be set at rest.

Mr. WEIR (Melfort): That is just what I was going to say, that I had no doubt my hon. friend did not have that in mind. With reference to debts and accrued interest, we have representatives on the advisory committee, and from the very nature of the publicity which centres on a closer relationship and an even better understanding than they have now of the necessity of keeping these people free from any worry so far as possible and giving them every encouragement, it is hoped that they will be able to devote their whole energy in cooperation with all the different phases of life in Canada to the reclamation of that area where there has been such a national and such a costly calamity.

The hon. member for Lisgar (Mr. Brown) made a point that I think was well taken when he said that we should not lead people to be too optimistic about this program; that it was all to the good to dam up water, but that the people should not be led to expect too much. I thought I had made clear in my statement the one thing that in our estimation should be given prominence in this program more than anything else, and that is: What can we do that we have not done to make it possible for these people to be self-sustaining to a greater degree than they are, and to be more thoroughly prepared if this present condition does not last, to meet drought conditions if there should be a recurrence of them. The basis of our work is a study of the people who have farmed in the district and who have made use of trees and dams and grasses and cultural methods, and then after an analysis and a summing up of what the experts so called have felt were the most important factors in each case, they will be able to place before a committee of farmers themselves in each province information that will be the basis on which all the work will be done.

Mr. DONNELLY: Mr. Chairman, for the last four or five years this question of the drought area in western Canada has occupied the attention of a great many people throughout the dominion. Last year I brought it to the attention of the house, and I am glad to know that at the present time the government are bringing in a bill to do what they think can be done in order to better conditions in what is known as the drought area in western Canada.

In order that the committee may obtain some vague idea of the importance of this question I should like to give to hon. members an idea of how large a territory is covered and what I mean when I speak of the drought area in western Canada.

In the year 1929 a small portion of the south central part of Saskatchewan, about one hundred miles square, had no crop. We had dry weather and there was a drought area consisting of a district about one hundred miles square. Since that time this drought area has gradually spread until it has reached into Manitoba and to the foothills of Alberta, the area east and west extending for four hundred miles, and north and south in a triangular shape for a distance of 150 to 200 miles. It stretches over a large portion of what is known in western Canada as the short grass country or the open prairies. That district in years gone by has produced wealth amounting from $200,000,000 to $300,000,000 a year, but in the last few years it has been producing no crops whatever, and that has been through no fault whatever of the people living there. It has been simply due to the fact that there has been little or no rainfall.

Some may speak of soil drifting and all that, but the fact of the matter is that we know that if we had rain, soil drifting would not be anything to contend with, and would present no difficulty whatever. It is because we have had no rain or not sufficient rain to produce a crop in what is known as the short grass country or the open prairies.

Let me also say with the hon. member for Souris (Mr. Willis) that this district is occupied by our own Canadian people. It is open prairie, the part that was easiest to bring under cultivation, and the result was that our own Canadian people went to the open prairie and brought it under cultivation. The foreigner from central Europe is the one who went to the park areas or to what are known as the wooded areas and cleared his land in there. So I repeat that the people living in that drought section are Canadian people or of the Anglo-Saxon race. Now this section of country for the last four years before these drought conditions came, did produce crops. This south central portion of Saskatchewan where the drought area began, for some twenty years produced crops, and good crops. It produced the best wheat that was grown in the world. It produced more wheat and better wheat than any other part of the world. I remember quite well speaking to one of our Canadian Pacific Railway officials, and referring to the line of railway running into that district and saying that it was the best paying branch line in western Canada. It produced more wealth than any other part of western Canada year after year. But when the drought arrived in 1929, then for year after year we had crop failures in that area.

Some ask, why do not the people that are in there move out and go into other districts? Let me say this. I know many of the men that went in there practically with nothing in 1908 and 1909. They took up 320 acres of land, and since then they have probably bought another 320 or 640 acres. They built good buildings, they made good homes for themselves, they fenced their land, and now they have 640 or 960 acres of land, and they have made their living by farming that land. Now they are 55 or 60 years of age, and it is pretty hard to ask these people to leave everything behind them, and get out and go into another district, perhaps to scrub land and hew out a home for themselves up there. In fact they won't do it; it is impossible to get them to do it. There are many people leaving that district, but they are chiefly those who are living on rented farms or have such large mortgages on their farms that they have very little equity in them. Some of these people are moving out, leaving the older settlers and the best settlers behind them in that dried out area.

Now as to what can be done or what should be done for these people in the drought area, there are various opinions as to the cause of present conditions. But in my opinion they are due to nothing but a lack of rainfall, the need of rain. There are many theories and many ideas as to why we have no rainfall or not sufficient rainfall. Many people say that the main thing to do is to get back to the old conditions that existed before the land was taken up or that existed when the land was homesteaded years ago. If we get back to those conditions, then problably we shall have rain again. This will mean that we will get back to having small bodies of water scattered over the country in the form of sloughs and lakes. A lot of the land will be covered with vegetation. One of the theories in connection with this drought is that there is not sufficient moisture in the land to keep

the air cool. The warm air from the south carries the moisture and it is precipitated when it meets the cool northern air but at the present time this air is warm also. The result is that the warm air from the south mingles with the northern air without bringing about precipitation. It is claimed that if we got back to the old conditions we would have rainfall again. That may be true but we should do whatever is possible to store up moisture in different places.

The government should use the men now in the relief camps. These men are doing practically nothing at the present time and they could be put to work in the building of dams in western Canada. This work would prove of benefit to the farmers and might bring about a change in climatic conditions. These men would be able to do work which would be of advantage to the country.

I believe the planting of trees would be of doubtful value. This section of the country is not like that referred to by the hon. member for Souris (Mr. Willis). In his part of the country trees once grew but they never grew in our part, it was wide open prairie. I know a man who planted ten or twelve acres of trees around his home as a shelter belt. He had fifteen or twenty rows of trees but when I visited him last fall I found this shelter belt drifted in with tumbleweed and Russian thistle. The trees had all died and all he had was a dyke about fifteen feet in height all around his place. I do not think trees will bring moisture; I think moisture brings trees. I have seen other places where 25,000 to 50,000 trees have been planted, but in practically every case all the trees have died from the drought of the last five years. It may be all right to spend a lot of money on the planting of trees but in my opinion it will prove of doubtful value.

I agree with the hon. member for Souris that it would be of benefit if some sort of grass could be got to grow. However we have found it very difficult to get crested wheat grass or the other grasses like brome or sweet clover to take root. I have known of cases where some of these grasses have been planted for three years in succession but there was not a single spear to be seen. It does not blow or drift away, it simply will not grow as there is not enough moisture. If you can get a grass of this type to grow, well and good, but the difficulty is to get it to take root.

I believe that much of the dried out areas will have to be left in an uncultivated condition. When we bring all our land under cultivation and have our summer fallows, great heat is developed and the evaporation is more rapid. We need more moisture than we have at the present time. Last year up until the end of June we thought we had a crop but there was no rain after that time and the result was a crop failure.

I suggest to the minister that the municipalities should be put in charge of this work. The people could be given work and thus taken off the dole. Plant trees if you like, build dams or do anything, but give work to these people. The closer the government can get to the people through the municipal authorities, the better it will be. Our municipalities have absolutely no money with which to grant relief. When they do grant any they simply sign notes and pass on the obligation to the provincial government. The provincial governments have no money and they are forced to borrow from the dominion government. The federal government will have to finance this work and if these people can be provided with employment it will improve their morale to a great extent.

The provincial governments should cooperate with the dominion government. The provincial ministers of agriculture could give assistance while the departments of telephones and schools are interested in this class of work. They should be able to cooperate with the government and assist in many ways. I contend that the main problem of financing this work rests with the dominion government. This problem which faces western Canada is the most important problem facing the country at the present time. I believe it is as important as our railway problem. There are two or three hundred thousand people in these areas who are solely dependent upon their crops. Anything that can be done to help these people should be done. I believe that in years to come we will again have sufficient rainfall; we had it in the past and we will probably have it again in the future. In the meantime it is the duty of all governments, municipal, provincial and federal, to cooperate with each other to relieve the condition in which these people find themselves.

Mr. MULLINS: Mr. Chairman, I have listened to the various speeches made this afternoon, especially those by the hon. member for Swift Current (Mr. Bothwell) the hon. member for Lisgar (Mr. Brown), and the hon. member for Souris (Mr. Willis). I am inclined to agree with the hon. member for Lisgar. He goes back to the days of experience, and experience is what is needed at a time like this. My sympathy goes out to the

people in and around Swift Current. It does not seem like so many years ago—in reality it goes back many years—when they undertook to grow grain in that district, but their efforts were an absolute failure. I remember Sir Lester Kaye who owned 10,000 acres around Swift Current. He imported water carts and undertook to water the grain. Any old timer from that district will remember the circumstances quite well. There was no rain there; it never rained, and they imported rain makers and tried in every way to get water because it was impossible to grow grain. My sympathy goes out therefore to those people who went there to farm. I remember the drought referred to by the hon. member for Lisgar—the drought that occurred in 1885. It was a serious one and the pioneers at that time suffered and bore it; they fought it. But I say for the benefit of this house that this is the end of the seven years; we have had the seven years, and I do not think that next year you will want any water conservation. I believe that next year we shall have two crops in one. We have had two crops in one in that western country, and I can tell you that there is all the difference in the world between having rain on the land and not having it. Soil drifting? Yes; but give us a year such as we are looking for this year and, with the faith of the old pioneers in that western country, we shall come back in the west and we shall not need to ask the minister for any expenditures for the conservation of water because we shall have enough of it. We have not suffered so much in the constituency I represent though we have had years when we could have done with more water; we should like to have had more rain. However, my sympathy goes out to the hon. member for Swift Current (Mr. Bothwell), because I do not believe that is a farming country. It is on the tail end of the chinook belt. I have seen the grass dry, I have seen it cured in June, and I do not know for the life of me how any man could ever farm on that land.

Mr. BOTHWELL: The hon. member knows that that area has produced the best wheat and the best crops of any place in the west in different years.

Mr. MULLINS: It has; but may I ask the hon. member how many years in ten.

Mr. BOTHWELL: In a sufficient number of years to enable the people to build as fine homes as can be found in the west.

Mr. MULLINS: Yes; I agree with the hon. member that if that land gets moisture you can grow a crop and it does grow good grain. But it is susceptible to the chinook belt and the hon. gentleman knows as well as I do that it is on the tail end of that belt that comes from the mountains and peters out around Swift Current. I repeat, however, that my sympathy goes out to these people, and anything the minister can do to help them I will support. I would agree to the expenditure of any money to help them. The hon. gentleman will remember that in Medicine Hat we had a rain maker named Hatfield. He tried to make rain and he took a lot of money. In the west we will try any new thing, any old scheme or any old political party they want to form. We have a new one in Alberta, and we are susceptible to any kind of political party that comes forward in that country. Well, they brought a rain maker named Hatfield—

Mr. POULIOT: Does it include social legislation?

Mr. MULLINS: —and he took a lot of money from the people of Medicine Hat. I do not think he was in the Swift Current district but he operated at Medicine Hat and he was a failure, just like the man they imported named Sapiro. All these novices have been imported in the west, but the spirit of the old pioneer will prevail. My hon. friend is one of the pioneers and I always like to shake hands with him. We have faced the elements, we have fought drought before, and we have asked nothing from anybody. I say therefore that the same spirit will bring that country back. I would not waste any money unnecessarily until we see what the conditions really are. I have lived out there and I believe that this will be a wet year.

Mr. WEIR (Macdonald): I am sure the minister will be highly pleased with the general acceptance of his proposal. This problem of the drought area in the west is now recognized definitely as a national one; everyone agrees that it is. If there is any place where national planning should be put to the test—and I say this particularly to my hon. friends in the corner—it is in this drought area, because after all the picture presented here this afternoon by hon. members living in that area must have demonstrated conclusively to others who are not as familiar with the conditions that exist there how grave the problem is. Fortunately for myself, I am just on the edge of the drought area, but my particular concern now is whether or not that area will extend and take in a larger territory which will include at least a part of my constituency. I was very much

interested in the historical sketch given this afternoon by the hon. member for Lisgar with regard to his early experience in Manitoba. I have heard many of the older people of the province relate similar experiences, and the strange fact is that we can have such extremely different conditions in one province, varying from one district to another. I have mentioned before the incident of part of an area in my constituency which I should judge was not more than 150 miles away from the dryest part of Manitoba, where they have suffered for several years since this dry period started by having flood conditions, and drainage was a problem with them. It is difficult to appreciate the fact that these two conditions exist in one province, but it is a fact.

I do not propose to say much at this time seeing that the matter has been well covered by those who have already spoken, but I would emphasize again the condition that may affect the adjoining areas or the condition that may be created should the drought area extend. No doubt the minister appreciates the possibilities of the extension of the drought area, and I think it is time we considered taking steps to prevent encroachment upon further territory. I do not know whether anything is contemplated in this resolution in that regard, but I should hope that something will be done to encourage people to adopt sound farming policies in those areas where experience has shown that such policies have not been in force. I think it is important to bear that fact in mind, and the only thing I would urge on the minister in that regard is the lending of some assistance to procure grass seed and to take care of publicity work with respect to strip farming and corn growing. I think that very special consideration should be given to that part of Manitoba located within the drought area to try to establish it as the corn belt of the province. There is a possibility in that area for corn growing that would be of particular benefit not only to the district itself, but to the rest of the province. Corn has been successfully grown in Manitoba and that area is especially well suited to it.

I was pleased to note this afternoon, when the minister was discussing this measure, his reference to the information that the department had gathered and the people that he hoped would interest themselves in the rehabilitation of this drought area. There is in this district such a large interest on the part of so many different classes that it is imperative we get the wholehearted cooperation and support of as many people as possible. The farmers themselves are the first ones who have a big stake there; then there are the business people who are established in the towns, and in addition there are the railways. There are also involved insurance companies, mortgage companies and so forth. Therefore it is necessary to bring together under any organization that is going to carry out a policy of rehabilitating this drought area just as many people as possible.

I should like to refer in passing to some publicity activity that has been going on in Manitoba; I think the organization that has been doing this work is called the Conservation League. I should also like in passing to emphasize what the hon. member for Swift Current mentioned. The indebtedness of the farmers themselves in that drought area is such that their condition will be so discouraging that they will not be able to face the future with any degree of confidence unless measures are taken to give them some assurance that they will be placed in a position to earn a livelihood for their declining years. If that is not done, I doubt very much whether we can expect them to put forth their best endeavours in connection with any policy of rehabilitation.

That is not the only problem. Even if we are successful in years to come in rehabilitating that area, we must still deal with the question how these people are to be sustained in the interval. We cannot expect immediate results, although we may hope for them, so the problem is one that will require the best efforts of everyone interested and the cooperation not only of this Department of Agriculture, but also of the provincial departments of agriculture, the business people interested, the municipalities and the local residents. I hope some means may be found whereby we can secure the wholehearted cooperation of the individual farmers themselves in that area. I believe that will be secured for the most part, one danger being that if we should have a period of greater precipitation with improved crop conditions, it may be just a little difficult to carry out the plans which may be prepared and intended to be used as a means of permanently rehabilitating the area. History has shown that drought conditions have recurred time and time again, and the fact that we may get a good crop for a few seasons may make us forget the hardships through which we have passed.

I feel satisfied that we can do a good deal in connection with this scheme, and I am pleased that the minister has seen his way clear to introduce this measure now, recognizing that the problem is a national one.

Mr. MOTHERWELL: As I had an opportunity of discussing this matter about ten days ago on the minister's estimates, it will not be necessary for me to say much now, particularly as we shall have another opportunity on the second reading of the bill. Both before and since I last spoke, I have been reading up the story of the deserts in Arabia and Palestine. When we were young and going to school, if the word "desert" came up we always thought of the Sahara. Now we know something of the work of archeologists in Palestine, how they have been exhuming cities that have been buried there, where once fertile land is now covered by sand. Three thousand years afterwards this has been dug up and exposed to the world. I think this was about the time when King Tut was entombed. This shows us that deserts grow. Like the last speaker, I thought I lived on the edge of the drought area in Saskatchewan and I did so for over forty years, but the last six years have revealed to us that a desert really grows. It extends over the adjoining area until the whole country may be involved in it unless some action of an effective nature is taken. To my mind, there is no secret about the matter. There was no drifting of soil when we went into that section half a century ago except along the buffalo trails or cart trails where the sod was broken. What we have to do is to restore the grass covering; that is an immense job, but it must be done. The minister is on the right track and he has two good officers who have lived for a time in that area. There is Doctor Kirk who homesteaded or purchased land there, and then there is Doctor Booth who was engaged in extension work for two or three years about the time the war broke out and who is well equipped in that and other respects.

I conclude—as it is just six o'clock—by wishing the minister well in this great undertaking. If my blessing is any good to him, why, I bestow it upon him. This work of rehabilitation on the wind swept prairie is no week end holiday, no midsummer pastime, and I think he knows it. It is the biggest thing of its kind undertaken in my time in the Dominion of Canada.

Resolution reported, read the second time and concurred in. Mr. Weir (Melfort) thereupon moved for leave to introduce Bill No. 55, to provide for the rehabilitation of drought and soil drifting areas in the provinces of Manitoba, Saskatchewan and Alberta.

Motion agreed to and bill read the first time.

[Mr. W. G. Weir.]

At six o'clock the house adjourned, without question put, pursuant to standing order.

Thursday, April 11, 1935

The house met at three o'clock.

MARINE AND FISHERIES

Second report of the select standing committee on marine and fisheries.—Mr. Ernst.

INDUSTRIAL AND INTERNATIONAL RELATIONS

MOTION FOR CONCURRENCE IN COMMITTEE'S REPORT RESPECTING PENSIONS FOR THE BLIND

The house resumed from Wednesday, April 3, consideration of the motion of Mr. Turnbull for the concurrence in the second report of the standing committee on industrial and international relations, and the amendment thereto of Mr. Cotnam.

Hon. ERNEST LAPOINTE (Quebec East): Mr. Speaker, I have nothing to add to what I said when on a former occasion this motion was discussed, and at which time the hon. member for North Renfrew (Mr. Cotnam) moved an amendment to the effect that the report be returned to the committee from which it came.

Amendment agreed to.

Motion as amended agreed to.

COPYRIGHT ACT

AMENDMENTS TO ACT IN VIEW OF APPOINTMENT OF ROYAL COMMISSION

Hon. C. H. CAHAN (Secretary of State) moved for leave to introduce Bill No. 58, to amend the Copyright Amendment Act, 1931.

Some hon. MEMBERS: Explain.

Mr. CAHAN: The bill can be explained shortly. On March 22, P.C. 738 was passed appointing His Honour Judge James Parker senior judge of the county court of the county of York, province of Ontario, commissioner under part 1 of the Inquiries Act to investigate and report in respect of certain matters relating to performing rights in musical works, and the fees, royalties and charges exacted by the companies, societies and associations controlling those rights.

First the bill provides that broadcasting companies, theatres and others who wish to acquire performing rights may not be stayed by injunction for infringement if they actually pay or tender payment of the fees, charges

and royalties prescribed in accordance with the statute. The second amendment is to the effect that, pending this inquiry and report, the Performing Right Society will not be permitted, except with the consent of the Secretary of State, to bring suits for infringement, for fees, charges and royalties or for an accounting, in order that, if necessry, there may be a revision in accordance with the law before such suits may be instituted or carried to a conclusion.

Motion agreed to and bill read the first time.

PRIVATE BILL

FIRST READING—SENATE BILL

Bill No. 56 for the relief of Emma Gelfman Goldman Stokolsky—Mr. Heaps.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

MR. ELZÉAR BEAUREGARD

Mr. LAFLECHE:

How much has the government paid to Mr. Elzéar Beauregard, solicitor of Montreal, for professional services between 1921 and 1930?

Mr. CAHAN: $263.45.

MR. ÉLIE BEAUREGARD *

Mr. LAFLECHE:

What amount has been paid by the government in legal fees to Mr. Elie Beauregard, solicitor of Montreal, between 1921 and 1930?

Mr. CAHAN: There may be duplication here, Mr. Speaker, I gave an answer to question No. 3, asked by the same hon. gentleman, and that question appears to be repeated as question No. 5. I think both questions may now be answered with the information I have given.

Mr. SPEAKER: No. 3 is answered, but No. 5 will stand.

RIVIÈRE-DU-LOUP, QUE., WHARF EXTENSION

Mr. POULIOT:

1. Referring to sessional paper No. 200, reference No. 91 of February 25, 1935, when was the plan contained therein and showing proposed inside extension of Rivière-du-Loup wharf (a) drafted; (b) signed, and (c) received by the Department of Public Works in Ottawa?

2. Before or after the said plan showing proposed coppered steel sheet piling was drafted, signed and received in Ottawa, were any soundings taken around the said proposed piling?

3. If so, when and what are they?

4. If not, why, and how did the government (a) figure out, and (b) approve the estimated cost of that work, as it appears from vote No. 114 of the estimates for 1935-1936?

5. Is there any regulation in force in order to have plans drafted for the extension of wharves without preliminary soundings being taken?

6. If so, since when?

Mr. STEWART (Leeds):

1. The plan contained in sessional paper No. 200, reference No. 91 of February 25, 1935, is a photostat made from a print submitted by the district engineer to illustrate his report dated March 15, 1934. It is a copy of the plan which accompanied his report dated August 30, 1930, and showing soundings of dredging operations in front of the wharf at Rivière-du-Loup. He used a copy of this old plan, on which he added in outline the proposed extensions in front and in the rear of the landing-head of the wharf, dealt with in his report of March 15, 1934.

2. Soundings were taken in connection with dredging operations in 1933, which information was available to the district engineer in preparing his comparative estimates for wharf extensions, including the steel sheet piling projects.

3 and 4. Answered by No. 2.

5. Plans for wharf extensions are always based on preliminary soundings.

6. Answered by No. 5.

RIVIÈRE-DU-LOUP, QUE., WHARF PILING

Mr. POULIOT:

1. Does the plan of the proposed coppered steel sheet piling of the proposed extension to Rivière-du-Loup wharf contained in sessional paper No. 200, reference No. 91 of February 25, 1935, show the length of the western side of that piling (a) outside the wharf; (b) inside the wharf?

2. If not, what are they?

3. Does it show the length of that piling from east to west?

4. If not, what is it?

5. What is the proposed length of the east side of the head block of the wharf including that of the proposed piling?

6. Has the department ascertained the nature of the bottom of the river right over which it is proposed to construct such piling, in order to describe the nature of the footings required for its structure?

7. If so, when and what is it?

Mr. STEWART (Leeds):

1 to 5. The plan shows in a general way the existing landing-head, measuring 50 feet in width at the east and west ends, and 260 feet long to be enclosed, as well as the proposed triangular extension to the rear, with steel sheet piling extending around a length of some 620 feet of wharf face.

6. Borings have been taken around the landing-head of the wharf.

7. Borings made in May 1933; bottom for penetration of steel piling consists of sand, clay and stones.

AID TO DRY DOCKS

Mr. COWAN:

1. What dry docks in Canada are receiving aid from the Dominion of Canada?
2. What amount was paid to such dry docks authorized by statute or otherwise in each of the years 1921, to date?
3. When do the grants authorized by statute cease?

Mr. STEWART (Leeds):

1. Saint John, N.B., dry dock; Montreal, P.Q., floating dry dock; Port Arthur, Ont., dry dock; Burrard dry dock at North Vancouver, B.C.; Prince Rupert, B.C., dry dock.

2.

Saint John Dry Dock, N.B.—

1921-1922	$ 82,608 56
1922-1923	109,656 99
1923-1924	198,459 46
1924-1925	247,500 00
1925-1926	247,500 00
1926-1927	247,500 00
1927-1928	247,500 00
1928-1929	247,500 00
1929-1930	247,500 00
1930-1931	247,500 00
1931-1932	247,500 00
1932-1933	247,500 00
1933-1934	247,500 00
1934-1935	247,500 00

Montreal Floating Dock, Que.—

1921-1922	Nil
1922-1923	$210,000 00
1923-1924	105,000 00
1924-1925	105,000 00
1925-1926	105,000 00
1926-1927	105,000 00
1927-1928	105,000 00
1928-1929	105,000 00
1929-1930	105,000 00
1930-1931	105,000 00
1931-1932	105,000 00
1932-1933	105,000 00
1933-1934	105,000 00
1934-1935	105,000 00

Collingwood Dry Dock No. 1, Ont.—

1921-1922	$15,000 00
1922-1923	15,000 00
1923-1924 (final payment)	15,000 00

Collingwood Dry Dock No. 2, Ont.—

1921-1922	$9,208 96
1922-1923	9,208 96
1923-1924	9,208 96
1924-1925	9,208 96
1925-1926	9,208 96
1926-1927	9,208 96
1927-1928	9,208 96
1928-1929	9,208 96
1929-1930	9,208 96
1930-1931 (final payment)	9,208 96

Port Arthur Dry Dock, Ont.—

1921-1922	$37,741 50
1922-1923	37,741 50
1923-1924	37,741 50
1924-1925	37,741 50
1925-1926	37,741 50
1926-1927	37,741 50
1927-1928	37,741 50
1928-1929	37,741 50
1929-1930	37,741 50
1930-1931	37,741 50
1931-1932	37,741 50
1932-1933	37,741 50
1933-1934	37,741 50
1934-1935	2,100 00

Burrard Dry Dock (North Vancouver, B.C.)—

1921-1922	Nil
1922-1923	Nil
1923-1924	$ 9,990 98
1924-1925	64,062 00
1925-1926	137,966 45
1926-1927	112,500 00
1927-1928	112,500 00
1928-1929	112,500 00
1929-1930	112,500 00
1930-1931	112,500 00
1931-1932	112,500 00
1932-1933	112,500 00
1933-1934	112,500 00
1934-1935	112,500 00

Prince Rupert Dry Dock, B.C.—

1921-1922	Nil
1922-1923	$153,941 76
1923-1924	76,970 88
1924-1925	76,970 88
1925-1926	76,970 88
1926-1927	76,970 88
1927-1928	76,970 88
1928-1929	76,970 88
1929-1930	76,970 88
1930-1931	76,970 88
1931-1932	76,970 88
1932-1933	76,970 88
1933-1934	76,970 88
1934-1935	76,970 88

3.

Dry Dock	Termination of Subsidy
Saint John, N.B..	January 1, 1959—date of payment of last instalment of $24,520.27.
Montreal, P.Q.	December 31, 1948—date of payment of last instalment of $52,500.
Port Arthur, Ont..	October 5, 1937—date of payment of last instalment of $2,100.
Burrard Dry Dock at North Vancouver, B.C.	April 1, 1960—date of payment of last instalment of $9,429.55.
Prince Rupert, B.C.. ..	March 10, 1943—date of payment of last instalment of $76,970.88.

QUESTION PASSED AS ORDER FOR RETURN

INCOME TAX COLLECTIONS

Mr. COWAN:

1. What are the totals of the income tax collected in each of the years 1929 to 1934 inclusive?
2. What is the amount collected in each province for each of the said years?

Mr. MATTHEWS: Return tabled herewith.

ADDRESS TO HIS MAJESTY

On the order of government notices of motion:

Hon. C. H. CAHAN (Secretary of State): Mr. Speaker, unfortunately I am responsible for the preparation of this address, and I find there are two slight corrections I should like to make. I therefore suggest that I should hand to the clerk of the house a corrected copy and have it reprinted to-morrow, so there will be no doubt as to the actual terms of the address.

Some hon. MEMBERS: Carried.

CONFERENCE OF MAYORS

On the orders of the day:

Mr. PIERRE F. CASGRAIN (Charlevoix-Saguenay): In an article appearing in to-day's newspapers it is stated that the convention of mayors, which met some time ago in Montreal, has sent word to all the mayors of Canada stating that so far they have not received any answer from the dominion government. I think this has reference to the proposal made by that conference that the government should assume the entire cost of unemployment relief. I should like to ask the government if they have an answer to give and, if so, when it will be given.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): I may say, Mr. Speaker, that I sent an answer to Mr. Houde, mayor of Montreal, who is chairman of the continuing committee—

Some hon. MEMBERS: Louder.

Sir GEORGE PERLEY: I sent an answer to His Worship the Mayor of Montreal, who is chairman of the continuing committee of the conference, which I think must have crossed the statement appearing in the press. That answer will have been received by now.

Mr. CASGRAIN: Might I ask the leader of the government if he would be good enough to give the public and the house the answer he has sent the mayor of Montreal. It is in the public interest, I believe.

Sir GEORGE PERLEY: Certainly it will be made public. I have not the letter with me at the moment.

BANK OF CANADA REPORTS

On the orders of the day:

Mr. J. A. BRADETTE (North Timiskaming): I should like to present a request to the right hon. leader of the government. In the last four issues of the Canada Gazette there have appeared the weekly reports of the Bank of Canada, in English only. Would the right hon. gentleman be good enough to see if it would be possible to have these reports published in both languages?

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): I will cause inquiries to be made of the Bank of Canada, and give the hon. gentleman the information as soon as we obtain it.

DATE OF BY-ELECTIONS

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): May I ask the acting leader of the house whether the report appearing in the press this morning is correct, that the date for the six by-elections to fill vacancies existing in this house has been fixed as August 19?

Right Hon. SIR GEORGE PERLEY (Acting Prime Minister): That is quite correct.

Mr. MACKENZIE KING: I should like to say to the government that I am sure the electors of these constituencies will be tremendously pleased to learn that their only opportunity of being represented in this parliament will come after parliament itself is dissolved.

THE KING'S SILVER JUBILEE

DISTRIBUTION OF MEDALS IN COMMEMORATION OF EVENT

On the orders of the day:

Hon. E. N. RHODES (Minister of Finance): Yesterday the hon. member for Swift Current (Mr. Bothwell) made inquiry with respect to the distribution of silver jubilee medals which will be available for public purchase. I find that the master of the Royal Canadian Mint, acting on behalf of the Royal Mint at London, has received a quantity which he has arranged to be distributed through the T. Eaton Company Limited, the Robert Simpson Company Limited, the Henry Morgan Company Limited, the Hudson's Bay Company and Mappin and Webb of Canada Limited.

RUMOURED JUDICIAL APPOINTMENT

On the orders of the day:

Mr. PIERRE F. CASGRAIN (Charlevoix-Saguenay): On page 4 of the Montreal Gazette of to-day's date I read the following:

M.P. slated for bench. Montreal judgeship may go to Sullivan or Duranleau.

Has the government any information to give the house as to who is likely to win this race?

Mr. GUTHRIE: No information.

IMPORTS OF BUTTER

On the orders of the day:

Hon. ROBERT WEIR (Minister of Agriculture): Mr. Speaker, I should like to make a short statement in reply to questions asked by the hon. member for Laprairie-Napierville (Mr. Dupuis) and the hon. member for Compton (Mr. Gobeil). Imports of butter into Canada from the United Kingdom are not due as suggested by the hon. member for Laprairie-Napierville, to the butter being "exported in transit," if by that the hon. member means shipped from an exporting country on an alternative bill-of-lading. Shipments of butter from exporting countries to the United Kingdom are not diverted to Canada while in transit.

In reply to that part of the hon. member's question as to whether imports from the United Kingdom are due to the fact that the United Kingdom is "producing more butter than they can consume." the answer is in the negative. The reason butter is imported from the United Kingdom is as follows. The tariff on butter entering Canada by direct shipment from New Zealand and Australia is, under the agreements with those dominions, 5 cents per pound while the British preferential rate of tariff applicable to shipments of butter from the United Kingdom is 8 cents per pound. Six to eight weeks are required to secure delivery in Canada of butter on direct shipment from Australia or New Zealand and deliveries in Canada of butter from the United Kingdom may be secured in about ten days time. For this reason buying from the United Kingdom is less speculative and if imports of butter into Canada during the late winter or spring months are necessary, Canadian importers prefer to pay the higher rate of duty and import from the United Kingdom rather than to risk buying so far ahead as is necessary in order to secure the lower tariff rates on direct shipments from either New Zealand or Australia. Below is a statement showing monthly imports into Canada of butter from the United Kingdom and other countries, and exports from Canada for the eleven months ending February 28, 1935, as requested by the hon. member from Laprairie-Napierville; also similar information for the year ending March 21, 1930, asked for by the hon. member from Compton:

Imports of Butter into, and Exports of Butter from Canada, Years Ending March 31st

Month	Imports						Exports	
	From United Kingdom	From United Kingdom	From Other Countries	From Other Countries	Total	Total		
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.
	1929	1934	1929	1934	1929	1934	1929	1934
April	873,264	396,872	1,625,477	320,038	2,498,741	716,910	54,300	13,300
May	248,024	34,832	2,395,543	3,352	2,643,567	38,184	110,200	31,600
June	90	33,432	423,966	750	424,056	34,182	135,300	51,300
July	350	5,600	146,589	442	146,939	6,042	142,900	43,500
August	5,600	.....	383,258	611	388,858	611	150,900	47,800
September	.....	11,200	414,950	628	414,950	11,828	195,000	32,700
October	.....	21,112	1,907,870	1,803	1,907,870	22,915	150,300	64,100
November	.....	8,400	3,022,730	1,135	3,022,730	9,535	101,700	36,900
December	.....	11,216	6,268,028	1,051	6,268,028	12,267	78,800	32,800
	1930	1935	1930	1935	1930	1935	1930	1935
January	.....	5,656	7,537,192	313	7,537,192	5,969	61,300	35,800
February	.....	5,600	8,637,006	544	8,637,006	6,144	56,900	30,000
March	1,344	Not available	8,028,091	Not available	8,029,435	Not available	71,800	Not available
Total	1,128,672	533,920	40,790,700	330,667	41,919,372	864,587	1,309,400	419,800

BUTTER RETURNED TO CANADA

On the orders of the day:

Mr. JEAN FRANÇOIS POULIOT (Témiscouata): As the minister is dealing with butter, perhaps he will give me the information asked for in question number 19 of the orders of the day of yesterday. When this matter was under discussion yesterday I directed attention to the fact that this question had been answered twice by the Minister of National Revenue (Mr. Matthews). I do not want another answer from that minister, I would like one from the Minister of Agriculture (Mr. Weir). I should like full information for the period from 1930 up to the present.

Hon. ROBERT WEIR (Minister of Agriculture): During the discussion on my estimates I stated that of the butter shipped to the United Kingdom from this country something in the neighbourhood of 3,465 boxes had been reshipped to Canada from the old country. These boxes would not appear in the records of the Department of National Revenue because the butter had not changed ownership. I believe the information given on that occasion was correct and as the butter had not changed hands it would not be dutiable when returned to this country. This is all the information I have on the hon. member's question.

Mr. POULIOT: The minister has no further information about the matter.

Mr. WEIR (Melfort): That is right.

Mr. POULIOT: I might tell him that this did not occur on the estimates, it was a question asked on the orders of the day.

PRIVILEGE—MR. McKENZIE (Assiniboia)

On the orders of the day:

Mr. ROBERT McKENZIE (Assiniboia): Mr. Speaker, on a question of privilege: A return was tabled yesterday in reply to a request from me for the names of those appointed by the government since they came into office at salaries of $5,000 and over, and also the increases in salaries of $500 and over made since July, 1930. The return made is incomplete and inaccurate. The information from the Department of National Defence states that there were no increases in salaries but in this connection I should like to refer to the discussion which took place when the estimates of that department were under consideration. At that time the hon. member for South Perth (Mr. Sanderson) asked if the chief of staff had been given any increase in salary and the minister replied, as reported on page 1547 of Hansard, as follows:

> With regard to the chief of the general staff, his salary was increased two years ago from $8,000 to $10,000, less ten per cent.

I should like to know why that information does not appear in the return. In connection with the radio commission, the return gives three appointments which were made at salaries of $5,000 and over but it does

not mention the three commissioners who receive salaries over the amount stated. The return does not mention the appointments made to the Bank of Canada. If the information appearing in the press is correct the salaries in this case are very much in excess of $5,000. No mention is made of the appointments made to the supreme court or to judgeships throughout the various provinces. I am not blaming the Secretary of State (Mr. Cahan) for the incompleteness of this return but I ask him to endeavour to give the house the accurate information.

Hon. C. H. CAHAN (Secretary of State): I will direct the attention of the various departments to the criticism of the hon. gentleman.

PRIVILEGE—MR. WOODSWORTH

On the orders of the day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, on a question of privilege. Just before I entered the house last Monday the hon. member for Quebec East (Mr. Lapointe) rose to a question of privilege and quoted a speech which I had made in Montreal. I do not think that this should have been introduced as a question of privilege as the statement was not made in the house. However, the statement was put on record and I desire to say now that the newspaper account was very abbreviated and not altogether correct. What I had tried to say was that on three recent occasions the Liberals had voted with the government in opposition to certain policies which we in this corner thought fundamental. I gave as one occasion the request of the mayors to address the house and I tried to point out that it was technically a point of order.

Some hon. MEMBERS: Order, order.

Mr. WOODSWORTH: The statement was made and I have the right to set myself right in this matter. The fact is that the mayors were prevented from appearing before the house. The second occasion was the amendment moved by the hon. member for Macleod (Mr. Coote), and the third was on the motion of the hon. member for Wetaskiwin (Mr. Irvine) for the nationalization of not only the central bank but the chartered banks. I do not like to reflect on the newspapers but in this case the report was very abbreviated.

Hon. ERNEST LAPOINTE (Quebec East): I am pleased to accept the apology as far as it goes.

Mr. WOODSWORTH: No apology whatever.

[Mr. R. McKenzie.]

EASTER ADJOURNMENT

PROPOSED RECESS FROM WEDNESDAY, APRIL 17, UNTIL MONDAY, MAY 20

On the orders of the day:

Sir GEORGE PERLEY (Acting Prime Minister): Mr. Speaker, I intend to put in a notice of motion to-day which will appear in to-day's votes and proceedings to the effect that when this house adjourns on Wednesday, April 17, it stands adjourned until Monday, May 20, at three p.m. daylight saving time.

Mr. DUFF: Lost.

Mr. MACKENZIE (Vancouver): I protest against this long adjournment as I think it is very unfair to the members from western Canada. It will take them four days to get home and an adjournment on Wednesday evening will prevent them from participating in the Easter exercises. If the house adjourns at all, I think it should adjourn on Saturday evening.

Mr. HANBURY: I concur entirely in what has just been said by the hon. member for Vancouver Centre (Mr. Mackenzie). It would appear to the members from British Columbia that the only members whose convenience is being considered in connection with this recess are those from Ontario and Quebec. If the members from British Columbia are to have a recess, or as some call it a holiday, they should be given the same consideration as other members. I hope the government will reconsider this motion and let the house sit on Saturday to adjourn on Saturday evening, if they insist on an adjournment at all.

Sir GEORGE PERLEY: I regret that the hon. gentleman finds some difficulty in connection with this matter. There is before the house sufficient business to occupy us until Wednesday if we are to have as much as possible accomplished before the recess. I suggest to members from British Columbia that they pair with each other. There is no reason why they should not pair on both sides and go home for the holidays.

Mr. MACKENZIE (Vancouver): Get rid of them.

Mr. HANBURY: I suggest to the leader of the government that the members from British Columbia are interested in what takes place in this house and wish to be here when the house is in session.

PRICE SPREADS COMMISSION

PUBLICATION OF REPORT IN THE PRESS IN ADVANCE OF PRESENTATION TO PARLIAMENT

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): I wish again to raise a question of privilege—not a matter of personal privilege but one affecting the privileges of the house. A few days ago, I directed the attention of the government to what appeared to be a serious violation of the privileges of the house in the giving out, to a portion of the press of the country, of some of the report and the recommendations of the royal commission on mass buying and price spreads. In reply the Minister of Trade and Commerce (Mr. Hanson) mentioned that the government would look into the matter. I have been expecting to hear from the government as to the results of its inquiries. I think this house is entitled to know how the recommendations of the commission were given in advance to a portion of the press. May I say that since I raised the question I have had an opportunity of comparing what appeared in the press with what is in the report, and it is perfectly clear that the press must have obtained the report from someone who had the report in his possession. I think we are entitled to know who that person was, and I would ask the government if they have inquired into the matter.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): All I can say is that the question is still under consideration.

Mr. MACKENZIE KING: May I say to my right hon. friend, I do not want to have to make many inquiries, but I shall inquire each day until I get a definite reply.

Hon. R. B. HANSON (Minister of Trade and Commerce): I would ask the right hon. gentleman under what circumstances he got a copy of the report. It has not been tabled, and not distributed.

Mr. MACKENZIE KING: It was published in the press.

Mr. HANSON (York-Sunbury): But my right hon. friend said he had a copy of the report. I shall have to inquire into that.

Mr. MACKENZIE KING: As given in the press, yes.

Some hon. MEMBERS: No, no.

Mr. MACKENZIE KING: As given after tabling in this house.

An hon. MEMBER: We know where it came from.

Mr. LAPOINTE: That would make it worse, not better.

Hon. HUGH GUTHRIE (Minister of Justice): Just one word on this. I agree entirely with the attitude taken by my right hon. friend the leader of the opposition (Mr. Mackenzie King) in regard to the publicity that has been given this report, but I understand that a question has arisen as to whether the commission, not being a committee of this house, is bound by the rules of parliament.

Mr. MACKENZIE (Vancouver): The rules of ethics.

Mr. GUTHRIE: No, but the rules of parliament. Now, I am inclined to think that it is merely a matter of propriety on the part of the commission, and I think it is very improper to give out that information. I was consulted by a royal commissioner on one occasion as to whether he might make public, a few days in advance, certain findings that had been signed by the commission, and I told him distinctly no, and he did not make it public. That would be my view. But it is not a parliamentary rule because it is not a parliamentary committee, and judging it only as a matter of propriety, I suppose the commission would have a right to exercise its own judgment. But personally I think it is very improper—

Mr. DUFF: Absolutely.

Mr. GUTHRIE: —and we should find out how it happened.

Mr. CAHAN: The members of a royal commission are sworn on entering upon their duties, and I am informed that the oath was administered to each member of this royal commission.

Mr. W. W. KENNEDY (Winnipeg South Centre): On a matter of privilege, as chairman of the royal commission on price spreads, I wish to refer to a statement made by the leader of the opposition (Mr. Mackenzie King) in this house on Tuesday, relating to the matter of reports as to the deliberations and findings of the commission getting into the public press. Without reading it in full, I wish to refer to this part of the right hon. gentleman's remarks. Speaking on the 9th instant, the leader of the opposition stated:

> I should like to suggest also when the government are considering the legislation that is to be based upon the recommendations of this commission, with respect to unfair practices and unethical proceedings, it might consider whether it is not possible to enact some legis-

lation which will prevent unfair practices and unethical proceedings on the part of the chairman of committees of this House of Commons when dealing with price spreads and mass buying, and on the part of some member or members of royal commissions when they are dealing with the same subjects.

In the first instance, I wish to point out that I was not chairman of the special committee of this house dealing with the matter of price spreads and mass buying. I was appointed chairman of the royal commission on price spreads on October 29 last, and throughout the deliberations of that commission I continued to act as chairman. The commissioners met on Tuesday morning last and signed their report at eleven o'clock. At four o'clock on Tuesday afternoon the report of the commissioners was handed by me to the Hon. Mr. Hanson, Minister of Trade and Commerce. Up to that time no authority was given by the commission as such, or in any way as a commission, for the release of any portion of that report or anything in respect to its deliberations. Since the question is raised in the house, naturally it reflects upon all members of the commission. It reflects upon the staff of the commission. I think that at this time it would be unfair for me to enter upon any denial or any statement, so far as I am personally concerned, inasmuch as such a statement would just bring it down to ten more members of the commission who would have to make statements. But I am in entire accord with the point of view expressed by the leader of the opposition and as expressed by the Minister of Trade and Commerce as to the impropriety—

Mr. MACKENZIE (Vancouver): The Minister of Justice.

Mr. KENNEDY (Winnipeg): —the Minister of Justice—as to the impropriety of such a report getting into the press before it was tabled. Speaking for myself—and for the members of the commission, as far as I know —I would welcome a complete investigation into the question, by what method or through what channels that report was published. I would point this out also. Not only was the publication of it unfair to the commission as such, and unfair to the staff personnel, but it was unfair to a large section of the press as well. Representatives of the press came to me as chairman, time and again, pointing out that certain information was appearing in the press and asking for reports. I told them my views on the matter, and those views I have maintained throughout. Yet some sections of the press obviously had exact copies of parts of the report and published them, while other sections of the press had not the same facilities. Let me say this. Personally, as chairman of that commission, I regret the publication of its report in part, in advance of the complete publication. I would welcome a full and complete investigation.

Mr. J. L. ILSLEY (Hants-Kings): I think I should be permitted to add a word. I am wholly in accord with the sentiments expressed by the chairman of the commission, the hon. member for Winnipeg South Centre (Mr. Kennedy). I think I am expressing what is in the minds of myself and my colleagues on this side, the hon. member for Weyburn (Mr. Young), the hon. member for Toronto West Centre (Mr. Factor) and the hon. member for Bellechasse (Mr. Boulanger), when I say that we would like to have an investigation into this whole occurrence, so that the public may know in what way this matter got into the press prematurely.

Mr. SAMUEL FACTOR (Toronto West Centre): May I add this word? When I was in Toronto on Monday night, I read in the Toronto Daily Star of that same afternoon a complete report of all the recommendations of the price spreads commission. I want to assure the house that so far as I am concerned I at no time gave any information to any member of the press in reference to any of the contents of the report or the proceedings of the commission.

Mr. DUFF: Who is the Judas?

Mr. OSCAR L. BOULANGER (Bellechasse): Lest some hon. members may think I am the guilty party, I wish to assure the house that I am not guilty.

Mr. JEAN LOUIS BARIBEAU (Champlain) (Translation): Mr. Speaker, I wish to assure you that I am not the guilty party and I would welcome an investigation to find out who he is.

Mr. POULIOT (Translation): We are proceeding by elimination!

Mr. A. M. EDWARDS (South Waterloo): As this seems to be a sort of testimony meeting, as a member of the royal commission I want to say that I have not yet seen the summary that appeared in the press and I do not expect to see it until the report is tabled in the house. I know nothing at all about these reports that have got out.

Mr. E. J. YOUNG (Weyburn): As the member of the commission who has not signed the report, I wish to express my hearty approval of everything that the chairman and the other members of the commission have said.

Mr. M. C. SENN (Haldimand) I just want to add my word. This process is rather a narrowing down, and if I do not, as the rest have done, make a categorical denial, I am afraid some suspicion might fall upon me. However I want to say, as the rest of the members of the commission have done, that at no time have I given out any information regarding the character of the report.

Mr. THOMAS BELL (Saint John-Albert): As I think I am the last one on the list, I may be considered guilty if I do not make a denial. I am heartily in accord with the remarks made by the chairman of the commission.

Mr. KENNEDY (Winnipeg): Following up my previous observations, I think the action of the other members of the commission in themselves individually making denial, relieves me from the reservation that I made at the opening of my remarks when I said that I did not want to enter a denial because I thought that to do so might carry some implication. I feel myself relieved now from that reservation, and I beg to state to the house without evasion, equivocation or mental reservation of any kind that as chairman of the commission I neither gave out any report nor any authorization therefor, nor had I any personal knowledge in any way, shape or form of how any report or reports got into the press.

Mr. MACKENZIE KING: Are there any other members of the commission who have not yet declared in the house where they stand on this question?

Some hon. MEMBERS: Peace River.

Mr. D. M. KENNEDY (Peace River): I have not given out any part of the report nor have I discussed it with anyone.

ARGENTINE CORN

On the orders of the day:

Mr. ECCLES J. GOTT (South Essex): If I might be permitted to change the subject, I would like to direct to the government a question which concerns thousands of farmers in the counties of Essex and Kent. It is necessary that I should make some explanation. Last year we grew in those two counties six million bushels—

Mr. SPEAKER: I would ask the hon. member to put his question.

Mr. GOTT: In view of the fact that the Argentine is going to have 400,000,000 bushels of corn available for export during the season of 1935, will the government take ample precautions to protect the corn growers of Essex and Kent counties?

An hon. MEMBER: Of all Canada.

Mr. GOTT: Yes, of all Canada. Will the government prevent the Argentine from flooding the Canadian market with cheap corn? I do not expect an answer to-day. I would like them to give consideration to the matter.

BUTTER RETURNED TO CANADA

On the orders of the day:

Hon. P. J. VENIOT (Gloucester): For the sake of getting a proper understanding of the situation, I should like to put a question to the Minister of National Revenue (Mr. Matthews). The Minister of Agriculture (Mr. Weir) stated that because butter shipped from Canada to the old country and reshipped to Canada had not changed ownership, it would not appear in the records of the Department of National Revenue. What I want to know is: Is that really the practice? My experience as a former collector of customs has been in past years and is that no matter what the goods may be that are shipped to England or any other country and then returned to Canada, even if they do not change ownership, they must come in on an export entry from Great Britain and an import entry through the customs of Canada. I understand that is the law.

Hon. ROBERT WEIR (Minister of Agriculture): The information I gave to-day was the information obtained through my department.

Mr. VENIOT: My question was directed to the Minister of National Revenue. He should give the information.

Mr. WEIR (Melfort): I repeated the information to-day for the benefit of the hon. member for Temiscouata (Mr. Pouliot).

Mr. VENIOT: I want the information from the Minister of National Revenue.

INTERIM SUPPLY

Hon. E. N. RHODES (Minister of Finance): I feel it my duty to renew my request of yesterday for interim supply. I would ask for the unanimous consent of the house to go into supply.

Mr. WILLIAM DUFF (Antigonish-Guysborough): Now that the Acting Prime Minister (Sir George Perley) has given us an intimation that at some time in the near future he will introduce a motion to adjourn for the Easter

recess, I have much pleasure in consenting and agreeing with my colleague from Nova Scotia, the Minister of Finance, to grant him interim supply or anything else he may ask in reason.

Mr. WILFRED HANBURY (Vancouver-Burrard): Mr. Speaker, before you leave the chair, I would like again to submit to the acting leader of the government that he take into serious consideration the situation of hon. members from British Columbia. I see no reason why, if he wishes to meet their convenience in any way, the house could not sit to-morrow morning and all day Saturday so as to let the members conclude the business and this house begin the recess on Saturday night. I would like to have an answer from the government.

INTERIM SUPPLY BILL

The house in committee of supply, Mr. Morand in the chair.

Mr. RHODES moved:

1. Resolved, that a sum not exceeding $16,058,144.05, being one-twelfth of the amount of each of the several items to be voted as set forth in the main estimates for the fiscal year ending 31st March, 1936, laid before the House of Commons at the present session of parliament, be granted to His Majesty on account, for the fiscal year ending 31st March, 1936.

2. Resolved, that a sum not exceeding $820,889.37, being one-sixth of the amount of each of the several following items to be voted, as set forth in the main estimates for the fiscal year ending 31st March, 1936, laid before the House of Commons at the present session of parliament, be granted to His Majesty, on account, for the fiscal year ending 31st March, 1936, namely:—

Vote No. 33, Administration of justice;
Votes Nos. 35 and 36, Legislation;
Vote No. 67, Canadian Pension Commission;
Vote No. 154, Topographical and air service bureau;
Vote No. 189, Government of the Yukon Territory;
Vote No. 190, National Parks and Migratory Birds Convention Act;
Vote No. 196, Sheltered employment;
Vote No. 200, War veterans' allowances;
Vote No. 205, External Affairs (Paris);
Vote No. 226, Miscellaneous unforeseen expenses.

3. Resolved, that a sum not exceeding $278,083.33, being one-twelfth of the amount of each of the several items to be voted as set forth in the estimates for the fiscal year ending 31st March, 1936, for Canadian National Steamships and Maritime Freight Rates Act, laid before the House of Commons at the present session of parliament, be granted to His Majesty, on account, for the fiscal year ending 31st March, 1936.

Mr. POULIOT: Mr. Chairman, I have just one observation to make regarding what the hon. member for Gloucester (Mr. Veniot) has said about butter. There were some shipments of Canadian butter to England which are called Canadian exports to the United Kingdom—

[Mr. Duff.]

Mr. RHODES: I rise to a point of order. I asked for unanimous consent, and unless unanimous consent is given we may not proceed. If my hon. friend the member for Témiscouata (Mr. Pouliot) proposes to exercise under these circumstances the right to enter into debate it follows that every other hon. member of this committee can do the same, therefore we would not have unanimous consent and could not proceed. In these circumstances I ask my hon. friend to bear in mind the amenities that arise in respect to a matter of this character, otherwise I shall have to move the committee out.

Mr. POULIOT: In reply to the hon. Minister of Finance (Mr. Rhodes) let me assure him that once more I am ready to cooperate all I can, and will not insist for the moment on the matter of shipments of Canadian butter from Great Britain. But may I ask the hon. minister if the public works estimates will be taken afterwards? If so I shall dispense with further remarks now.

Mr. RHODES: Certainly this interim supply has no bearing on, nor does it impair in the slightest degree the right to discuss these items in supply.

Mr. POULIOT: But may I ask the minister if the public works estimates will come after this to-day?

Mr. RHODES: I think that is the intention.

Motion agreed to.

Resolution reported, read the second time and concurred in.

WAYS AND MEANS

INTERIM SUPPLY BILL

Mr. RHODES moved that the house go into committee of ways and means.

Motion agreed to and the house went into committee, Mr. Morand in the chair.

Mr. RHODES moved:

Resolved, that towards making good the supply granted to His Majesty on account of certain expenses of the public service for the fiscal year ending 31st March, 1936, the sum of $17,157,116.75 be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolution reported, read the first and second time and concurred in. Mr. Rhodes thereupon moved for leave to introduce Bill No. 59 for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st of March, 1936.

Motion agreed to and bill read the first and second time.

Mr. RHODES moved that the house go into committee on the bill.

Mr. POULIOT: I have just one question to ask the hon. gentleman. I understand this supply is for the month of May, one-twelfth of the total for the year, and that it is understood that there will be no governor general's warrants issued while parliament is in session or during the adjournment?

Mr. RHODES: I can give my hon. friend no undertaking with respect to the issue of governor general's warrants other than to intimate that none may be issued while parliament is in session, and parliament will be in session although adjourned.

Mr. POULIOT: Thank you.

Motion agreed to, bill considered in committee, reported, read the third time and passed.

REHABILITATION OF DROUGHT AREAS

DEMONSTRATION AREAS AND INVESTIGATIONAL WORK FOR RECLAMATION OF DRIED OUT LANDS IN WESTERN PROVINCES

Hon. ROBERT WEIR (Minister of Agriculture) moved the second reading of Bill No. 55, to provide for the rehabilitation of drought and soil drifting areas in the provinces of Manitoba, Saskatchewan and Alberta.

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

On section 1—Short title.

Mr. POULIOT: Is the bill published in French, as well as in English?

The CHAIRMAN: I am advised that it is.

Mr. BEAUBIEN: Mr. Chairman, I do not wish to delay proceedings in the committee, but I should like to mention a certain matter affecting the Red river. In the last few years the flow of water in that river has been so small that the situation is becoming serious, so far as the residents along the river are concerned. I believe the minister knows the district very well and would appreciate the conditions. In that Red river area it is very difficult to get water, unless it be obtained from the river. I should like to know if under the present measure action would be taken towards damming the river at different points so as to raise the water level. If the river were dammed at points twenty-five miles distant it would be possible to have at least three or four feet of water in the river at all points. The situation is very serious, due to the water being at such a low level. The river water is about the only water available to the residents along the Red river, because the well water is not of good quality, due to the fact that it contains quantities of iron and salt. Could the minister give any information as to whether or not anything could be done, and whether or not he would take this matter into consideration.

Mr. WEIR (Melfort): This matter will be placed before the advisory committee which will deal with all points mentioned.

Mr. BEAUBIEN: Will they have power under this measure to investigate a situation such as I have described?

Mr. WEIR (Melfort): I cannot say whether or not the point raised by the hon. member would come under provincial jurisdiction. If that were the fact some authority would have to be received from the provincial government. The hon. member will note that a representative of the provincial government will sit on the advisory committee. All matters, with the exception of those which it has been considered should not be proceeded with in the present year, will be placed before the advisory committee before any work is done. The matter about which the hon. member has spoken will be brought to their attention.

Mr. BEAUBIEN: The river is still classed as a navigable stream. Any time bridges are built permission has to be obtained from the federal government. I have no doubt the matter I have raised could be considered under the present measure.

Mr. VENIOT: I am not rising to oppose the bill because as a matter of fact I strongly favour it and realize that something must be done. Section 1 states: "This act may be cited as The Prairie Farm Rehabilitation Act." As I understand it it will have the effect of caring for drought areas and conditions of sand drift. I should like to see this work extended. There are certain sections along the Atlantic coast of the maritime provinces where sand storms take place, and when that occurs sand drifts on to the farms, in some instances

rendering the land unworkable. I should like to see a provision placed in the bill whereby a situation such as I have described might be considered. Would the minister kindly consider the point before the bill passes.

Mr. WEIR (Macdonald): Yesterday afternoon, when the minister was discussing the resolution I wondered how the commission or the authoritative body would be in a position to have actual control of or to carry out some of the regulations which might interfere with the ordinary plans of individuals in particular areas. In other words how will the commission obtain power to deal with these matters?

Mr. WEIR (Melfort): Is the hon. member referring to farmers?

Mr. WEIR (Macdonald): Yes.

Mr. WEIR (Melfort): Only by their consent.

Mr. WEIR (Macdonald): What will happen if they do not cooperate?

Mr. WEIR (Melfort): No work would be done and no action taken in that particular part. However may I say we have received applications from entire municipalities and from councils promising to cooperate. We do not expect any difficulty in that regard. As a matter of fact, due to the great number of applications, the difficulty will be to decide which would be the best ones to take. I would assure the hon. member however, that there will be no compulsion in the matter.

Mr. WEIR (Macdonald): Of what nature are the applications?

Mr. WEIR (Melfort): They are from municipalities asking that those municipalities or townships be chosen as the areas in which the demonstrations might take place.

Mr. BROWN: I understood the minister to state yesterday that he proposed to set apart one township in each province.

Mr. WEIR (Melfort): Practically a township.

Mr. BROWN: Working within a township regard could be had only for cultural methods and some tree planting. Within the boundaries of a township they could scarcely carry on work such as the damming of streams which, of necessity, would have to be conducted over a larger area. They could not perform any conclusive experiments within the small area.

Mr. WEIR (Melfort): In that small area there would be individual farms or groups of farms which could be benefited by small dams to collect the run-off of water. Or, on the other hand, such work might be done in connection with small streams.

Mr. HOWDEN: Following up the interrogations of the hon. member for Provencher may I ask if the commission will have power to deal with conditions such as those obtaining in the Red river area. The hon. member mentioned that some miles south of the city of Winnipeg this river formed the water supply for the people in that part of the province. However there is no possible chance in the wide world of the Red river forming a water supply for the people north of the city of Winnipeg, because from that city, on to lake Winnipeg, the river is simply a cesspool of sewage and infection. As a matter of fact just now the Red river is not capable of carrying away the sewage from the city of Winnipeg. That is a very great menace. I was going to say it is a very obnoxious matter, but it is more than that. The Red river of Manitoba has become a cesspool from the city of Winnipeg to lake Winnipeg. Generally speaking I believe our whole country is drying out. At one time Manitoba was the site of a tremendous lake, but all that remains of that lake at present is a couple of comparatively small lakes, lake Winnipeg and lake Manitoba, and they are shrinking yearly. Hundreds of thousands of acres of swamp land once covered with water are now as dry as the proverbial whistle. I believe it will be necessary for this federal government to deal not only with a limited portion of the country, as it is proposed at present, but that in the near future we will have to take into consideration this very serious situation in the province of Manitoba, to say nothing of the other western provinces. We will have to try to find some way to provide more moisture for the country.

The question I wanted to ask the minister was whether this commission will have power to investigate the conditions that exist in regard to the Red river.

Mr. WEIR (Melfort): I should say they would have power to investigate and recommend, but if hon. members will notice the amount that is to be expended in connection with this scheme they will appreciate that very little of a practical nature can be done with regard to a problem so vast. At least, however, the setting up of this committee

will provide a medium which will bring this serious condition, together with the need for some action, to the attention of the people of Canada as a whole.

Mr. HOWDEN: Before leaving the matter I believe it cannot be too strenuously and forcefully impressed on the commission that will be formed that there is need to deal with the conditions that exist along the Red river in the province of Manitoba. Certainly at the present time that river is stinking to heaven, and it is a very decided menace to the health of the people of that province.

Mr. DONNELLY: As I understand the minister a committee will be appointed to investigate and recommend, to certain districts or certain people, what should be done. I understand that there will be three districts set aside in the province of Saskatchewan, and the minister also said he had received applications from a number of municipalities and that it was the intention to take over a whole township. Will this committee only give information to the people who own and work the land; will they pay these individuals to do what they recommend or will they only supply them with seed? Will the minister give us some information as to how this will be worked out? Will the commission just tell the farmers what to do and not pay any more attention to the matter; will they give them some remuneration, or how is it proposed to do this work?

Mr. WEIR (Melfort): The officials of the department have been collecting information in connection with this area for some time, and they have carefully gone over the applications that have been received from different councils and public bodies suggesting that the work be undertaken in various localities. I think this whole matter has been boiled down as well as it can be at present. It will be submitted to the advisory committee set up under this bill, and under that advisory committee there will be an executive committee. This work will be administered by the experimental farms branch under the Department of Agriculture, and they will have their own officials there to supervise it. In the illustration stations and farms—not the townships—the same principle will apply as has applied in the past to illustration stations. That is, men will receive certain remuneration for which they will agree to carry out certain work, and they will be supplied with seed. Previous to the introduction of this bill very careful consideration was given whether that should not also apply to all these farmers in the townships. It was felt that due to the extent of the area, the necessity of having the cooperation of every person in it, and the fact that undoubtedly some farmers in almost every township will have a good deal of summer fallow in excellent condition, in the first year it would not be fair to ask these farmers, for instance, to give up part of that summer fallow and follow some definite, hard and fast rule with reference to farming. We have different types of contracts drawn up which will be considered when we go to western Canada. We feel that everything is in the best possible shape to expedite the work. In regard to the townships, recommendations are to be made to the advisory committee in order to obtain their best advice as to the steps that should be taken, and it is also hoped that in each township there will be set up a committee, either elected or appointed, of the best farmers, to cooperate with the officers of the experimental farms branch.

Mr. DONNELLY: It has not been decided definitely whether or not the township work will be taken up this year?

Mr. WEIR (Melfort): Yes, that will be taken up this year in cooperation with the farmers, but we felt that we could not come to a definite decision this year until we consulted the farmers in the townships, as to how far we should go in trying to carry out one definite plan. It is different with an illustration station, of course; in that case only one or perhaps two farmers would be involved, and if we could not agree with them we could get another location and find other farmers who would agree to our terms.

Mr. DONNELLY: With regard to these illustration stations or these private individuals, are they to be picked out here and there, or how are they to be selected?

Mr. WEIR (Melfort): This whole field has been carefully surveyed and studied during the entire drought period, and particularly during the last two or three years, with a view to selecting the farmers who have met with the greatest success in their work even under these conditions. We have lists of those farmers, and from those lists the selections will be made.

Mr. BROWN: May I say that I think the best hope of success for this scheme lies in the commission devoting their greatest attention to cultural methods such as strip farming and the reintroduction of grasses that will put fibre back into the land. I think the commission would be wise to devote the greater part of their energy to that end. In

speaking on this matter yesterday I intimated that I had very little faith in the efficacy of either tree planting or the damming of streams, with regard to bringing about any increase in precipitation. While the planting of trees is a good move undoubtedly it will mean a number of years before any results can be achieved. No doubt the damming of streams will be all to the good also, but I do not think we can hope for any great result with regard to the amount of precipitation. I do think, however, we cannot lay too much emphasis on the need of experimenting, with the aid of the experience and help of the best farmers, along the lines of better cultural methods, such as strip farming and the introduction of grasses. I think in that way we may obtain the best results.

Mr. WEIR (Macdonald): The minister referred to certain petitions he had received from municipalities urging that something be done, and even volunteering the use of farms. I understand that where a township or other area is selected, this commission will be in position to go in and take charge of the work undertaken.

Mr. WEIR (Melfort): With the consent of the farmers in the particular area.

Mr. WEIR (Macdonald): Would the petitions already received indicate that that consent will be forthcoming?

Mr. WEIR (Melfort): I would say, yes.

Mr. WEIR (Macdonald): I understand that the petitions received from the municipalities would indicate that.

Mr. WEIR (Melfort): Yes.

Mr. WEIR (Macdonald): I notice that the railway companies, the mortgage companies, the provincial governments and so forth are to be represented on this commission. I suppose these different bodies have endorsed the project and have agreed to give their co-operation and support?

Mr. WEIR (Melfort): The individual farmers and ranchers have not been definitely selected nor will they be until we go west. A number have been asked to come in but there is certain information we would like to have before going further in this regard.

Mr. WEIR (Macdonald): How about the provincial governments?

Mr. WEIR (Melfort): There will not be any difficulty in that connection. It has not been decided as to whether it would be better to ask them to name representatives from the departments of agriculture or from other departments. In Manitoba there is the question of water rights to be considered and in Alberta there are the ranching privileges to be taken into account. It will have to be decided whether the representatives will come from the departments of agriculture or from other departments.

Mr. DONNELLY: I believe in the usefulness of dams and reservoirs. Practically four-fifths of the moisture which falls in the province of Saskatchewan is drained out by the rivers and creeks. I think the building of dams is the most important thing that could be undertaken. Some of the farmers have been building small dams for themselves and in many places community projects have been undertaken. The province has permitted the building of roads to some of these dams, but after all they are only small affairs to benefit a few farms. The large works which must be undertaken will require considerable money which should be provided by this government. Crop rotation and the kinds of crop may prove to be of some benefit, but in my opinion they are very doubtful. I am very sceptical as to the good which may come from planting trees but the building of dams will prove to be of inestimable benefit. Could the minister tell us whether this bill will provide for the building of dams as well as for the taking over of land, the rotation of crops and the demonstration of proper methods of farming?

Mr. MOTHERWELL: The practice of taking a preliminary canter on the first section of a bill has become so general that I suppose I will have to do the same thing myself if I am to be in on it. In looking over this bill which has just been placed in our hands I cannot find anything new or startling. We do not want anything startling as we have had enough of that, but I cannot find anything different to what has been tried out already in a smaller way. Perhaps the only new thing is the advisory committee. This looks like the economic council but I do not see that the minister is a member thereof.

Mr. CASGRAIN: It is a brain trust but what we need is a rain trust.

Mr. MOTHERWELL: The first minister is to be the chairman of the economic committee and I have enough confidence in the Minister of Agriculture (Mr. Weir) to want to see him on this committee instead of having merely two members of the department. In a big affair like this we should have the head of the department as chairman. Last evening

in the two or three minutes I had at my disposal I made what I thought were some encouraging remarks on the resolution stage of this bill but the receiving and reading of the bill has been something like having a pail of cold water thrown over me. Before I suffer further disappointment I should like the minister to enumerate the remedial measures provided by this bill, outside of the advisory committee, which have not been tried out already by the provincial governments during the past 25 years. Private individuals have also been actively engaged in trying to conserve water by dugouts and dams; in fact, they started that work.

Mr. WEIR (Melfort): First, with reference to the request made by the hon. member for Willow Bunch (Mr. Donnelly). On every occasion I have taken care not to paint too glowing a picture or give the impression that we hope to do what might be considered as the impossible thing. For example, as far as the building of dams and the planting of trees is concerned, no person is in a position to say that these things will have the tendency to produce rain. We hope to use the information we have in the best possible way and to go as far as we can to ensure greater economic security for the people in these districts should these climatic conditions continue, or, if for a time they do disappear, with greater rainfall, to prepare them to meet a similar condition should it recur; because, although the government of Canada and the provinces as well as the people have been very anxious to pour money into this great area, I am sure we all feel, whether we are outside the area or in it, that we cannot look forward, as has been suggested, to rain coming this year. So that should we have a number of bounteous years, and make no provision, should another dry period ensue, the only solution would be for the dominion to pour money again into the same area. As we have stated before, the fundamental thing we have in mind is to see whether, from the knowledge we have, supplemented and backed up by dominion finance, we can give the farmers a very definite demonstration as to whether or not certain things will assist them, which they feel might be of advantage if they had the money, so as to enable them to go ahead. One of the difficulties with some of the farmers is this. For the first two or three years they achieved a fair success, but now their resources are so drained that they cannot do the things which they themselves believe would make them self sustaining.

The hon. member for Melville has said he sees nothing new in this. I believe his leader said on one occasion this session that there is nothing new in the world, and with that statement I am inclined to agree in many respects. Those of us who know the people of western Canada agree that they do not want any great flare to be made about this. They want something substantial. They want us to go slowly, but they do want us to tackle these problems and to answer some of the questions that have been in their minds as to whether or not it is worth their while to remain in certain areas or to move out of the district. The only information we have is information obtained from other countries, and which we have collected. Where a man has not been successful through his own operations, to the extent that he should be, the reason has been that the districts around him have not followed the same cultural methods that he has.

As regards the observations of the hon. member for Willow Bunch, with respect to the question of water as compared with cultural methods, if we take steps that insure a water supply either for small communities or for larger communities, that will be one of the best things we can do to bring about greater economic security. I believe that about a thousand or more applications have been received for assistance in the building of small dams. The work might be done by the farmers themselves, but often the difference between success and failure, from the standpoint of the benefits derived from dams, depends on how the dam is put in, where it is, and on the engineering work in connection with it. As regards the labour, the people in the locality will themselves do the work—that is, apart from the engineering work. It is felt, in view of the difficulties in which they find themselves and the fact that their resources are depleted, that some assistance will have to be given these people in the way of material where necessary, and also in connection with the work they are doing.

As regards tree planting, there are two schools of thought. Some people hold that it is impossible to reap any benefit from the planting of trees in the wider shelter belts. They seem to think that it constitutes a trap for weeds, and others believe that they are killed out in the prolonged dry periods. We all agree however that we have in the west, both in the nursery station at Indian Head and in the substation at Saskatoon, men best qualified—and this is recognized not only in Canada but on the American continent—to give expert advice as to how far we can go in the planting of trees; and we shall be guided in that connection almost entirely by

their advice, together with what is known to have existed in western Canada, where certain farmers have been successful in the use of shelter belts which have withstood the drought.

The hon. member for Melville said that the Minister of Agriculture should be chairman of the advisory committee. That was also discussed in the drafting of the bill. It is under the administration of the minister, so that in that way he has full authority over the recommendations at least of this advisory committee. There is provision for two representatives from the federal Department of Agriculture. One of these is the director of the experimental farm system, because the actual work done here will be carried out under that branch of the department, and it is felt that he or the assistant director should be ex officio chairman, because meetings might be called at times when it would be difficult for the minister to be present. It was considered that this would ensure greater continuity.

Mr. DONNELLY: Is it intended to build dams outside these townships scattered in different parts of the province?

Mr. WEIR (Melfort): Yes.

Mr. WEIR (Macdonald): Will it be necessary to obtain consent? Suppose a dam flooded a large area of land. A railway might be involved, and who is to compensate those who own land or property which is covered?

Mr. WEIR (Melfort): That would be investigated before the dam was built. We have at the present time a sufficient number of applications, together with the consent of the people affected, to give little concern in that regard for the first year.

Mr. MOTHERWELL: The minister assures us that there is nothing new in this bill, and is not in favour of making any spectacular estimate of what may be done under it. I agree with him, but he is a little late in making that pronouncement. This has already been heralded all over Canada as a great reclamation movement which will beneficially affect even the landscape and the climate. It has been talked about, written about and dreamed about, and I feel quite sympathetic with the minister in his intentions. But I am still further sympathetic with him that his friends should put him in wrong so much by making such extravagant prophecies as to what will be done. There is not a man in this house, familiar with that area, who does not know that the minister is undertaking a tremendous task, and we believe the time has come when this effort should be made or that we should abandon that part of the country to wild life or give nature an opportunity to replace the grass and other covering which was taken off by the husbandman, and which it may have taken millions of years to produce. The settlers took it off in about a quarter of a century and now, in a large part, it is a waste place. More than that, it is likely to damage areas further east and north of the worst affected area. I approve of the minister going at the problem, because the time has come when we must do something or get out, and I am not one who thinks that it should be the latter. This bill which is preceded by a resolution is, I suppose, a part of the reform policy of the government, but as already intimated it is merely an evolution of what has been under way for the last quarter of a century. It is true there is this brain trust, if I may call it so. That is what it is meant to be, and I hope it will be a brain trust with real practical brains. But there will be this difficulty. The minister is not on this committee but he will have to accept the responsibility for any action or inaction thereof; besides there is sure to be a difficulty in regard to getting decisions unless more local, practical farmers are appointed on it.

I believe in this policy of rehabilitation, and I want to say a friendly word with respect to every feature of the bill if I can do so conscientiously.

Prior to last June, I do not think the word "rehabilitation" was in the government's vocabulary as applied to this area, neither has it been in former years. But we have never before had such a scourge as we have had during the last five or six years. In former years, only one or two years and sometimes only one would be dry at a time, and the following year there would be double the crop. For instance, 1914 was one of the very worst years we had in that area and indeed over much of northern and eastern Saskatchewan, but it was followed in 1915 by the most remarkable crop we have ever seen. When that happens, we forget all about the former bad years. Now we have had six dry years in succession and the minister has at last broken new ground by bringing down a bill to provide for an advisory committee. I approve the name of the bill; I believe in having an advisory committee on this matter, but I would like to see on it more practical farmers from the area concerned, men who must know a great deal more about the problem than anybody else.

In addition to that, there is a sum of money to be associated with the scheme, and that is good too, but all that, with the exception of the committee, was available before. However, this is really a start and to that extent we would commend the minister. But he speaks of the length of time the government have been preparing for this and the data they have secured. Well, if they had the data and if the seasons have been growing worse instead of better, why did they not start in 1931? I remember hearing the Prime Minister on the first day of June, 1931, announcing from his seat in the house that a national calamity had stricken the southern prairies of the western provinces and everybody was visibly impressed by his statement that this was a national calamity. Why has the government not acted nationally prior to this year? In a couple of months or so, by next July, four years will have elapsed since that statement was made, and it is left until now for the government, recognizing the national nature of this problem, to take steps by bringing down this meagre bill. This is the result of four years' cogitation. I must confess I feel disappointed. I was, I suppose, infected with the same virus or bacteria or whatever you choose to call it that other enthusiasts were affected with who read the glowing description in the Toronto paper to which I referred on a former occasion, stating that the minister was to take this area under his wing as a sort of little crown colony affair and was going to do wonders. Those papers did the minister an injustice; we all know he cannot do that. All we can do is to do our best and leave nothing undone that is within our power in the way of expenditure or the appointment of this committee to advise or any other committee or individual that would like to tender advice.

I would like to make this suggestion at this stage; I am afraid the minister has started off on the wrong foot. I remember quite distinctly that the premier of Manitoba got busy early in connection with this proposition, more than a year ago, and I should like to have seen the minister show a little stronger disposition to cooperate with the provinces. Of course he tells us that he is cooperating, but we would like to see some more practice of that nature and some more evidence of cooperation than merely a pious wish to cooperate. As a matter of fact the minister is invading what is strictly provincial work. It is true that in a small way, in an experimental, demonstration way, the dominion was in it before and was recognized as being within its jurisdiction. But now, to go into an area of that proportion without the closest consultation with the three provinces concerned, I think is undiplomatic. Questions regarding production are essentially provincial in character. There is no law delineating where provincial powers and activities in agriculture stop and those of the dominion begin, but over a period of many years there has grown up between the dominion and provincial departments of agriculture a practice that allocates questions of production to the provinces. This is invading that field to greater extent than has been the case previously that I think the first thing to do, if I might so suggest, would be for the Minister of Agriculture to call the provinces together, take counsel with them and say: Here, I want to help you further than I have done in the past, to aid you in such a way that we shall have some business intercourse with the rural municipalities; in order to do that we must have your assistance. The municipalities are of course the creation of the province, and I do not see how in the world much is going to be accomplished if such a course is not taken. For instance, there is the establishment of grazing areas. In my estimation one of the first things that should be done in that area is to segregate as much as possible those lighter lands that are more predisposed to drift and on which nothing can be grown in a dry year. Lands with lighter subsoil and of a gravelly nature, that are hit worse in a dry year, should be seeded down as rapidly as possible. How is the federal government going to acquire those lands without invading provincial rights? I do not want to raise that difficulty, but it is there just the same. Many of those lands are reverting to the municipalities or the provinces now for taxes; how can the dominion government handle them unless they have the cooperation and very close cooperation of the provinces? Unless these matters are attended to at the outset, we shall have three provincial governments, Alberta, Saskatchewan and Manitoba, each running little shows of their own, and on top of that the federal government running theirs; that is what it will mean. I cannot help thinking the dominion is now taking a step in the direction of invading provincial acitivities in the matter of production to an extent that it did not do before, and yet not to a sufficient extent to be of any use except as a natural evolution of what has been taking place in the past. Therefore, unless we get those areas seeded down as quickly as possible and thereby make those dust storms, subside—because not only is damage caused to the area from which the dust blows, but also to the area on to which the dust is blown,—our little activities as described in this bill will never be noticed;

the dust will blow faster than the remedy can overtake it.

We do not need to go to Arabia or the Sahara desert to see what happens; all we have to do is to look across the United States boundary and see right in the panhandle of Texas, Nebraska, Colorado, Oklahoma and a number of adjoining states, the terrific storms of dust occurring now as we talk taking not only the top soil, but the subsoil in some places to a depth of two or three feet. That is what is happening to the south of us and that is what will happen in our country unless effective measures are taken right away. The point is this: will this legislation bring about the desired result? It is good as far as it goes, but I am afraid you will never see it in the midst of one of these storms that are liable to occur any day in that territory, as has occurred in a relatively small way even this spring. I suppose there has to be a beginning with all things, but one should at least start diplomatically, start with a feeling that everyone interested is backing you, and particularly the provincial governments, who are all actively concerned about this problem and have their plans already worked out. It may be that the minister has conferred with them, but not as far as I know. Such conference it seems to me should have preceded any action. For instance, do the provinces know about this bill? Were they consulted about it? What is their opinion about it?

I have nothing further to add except to congratulate the minister on breaking new ground, introducing a new term in relation to this area so far as the government is concerned, the word "rehabilitation." But I trust they will back it up by something more substantial in the way of remedial measures than are provided for in this bill.

Mr. BRADETTE: I am not a western member, but this is a matter of national concern, being before this federal house. A few minutes ago the Minister of Agriculture mentioned the personnel of the commission. I notice it will consist of thirteen members, which is a very bad number, perhaps some will not want to sit on it.

Mr. CASGRAIN: Why not add one from Quebec and Ontario?

Mr. BRADETTE: The whole is greater than the part and in a case of this nature all sections are interested. I do not think it would be in order to offer an amendment, but I think the government should include representatives from other provinces, or at any rate one for the three maritime provinces, one for Ontario, one for Quebec, and one for British Columbia. Something could be learned from their experience. They have erosion in Quebec, just a few miles northeast of here, and there is also quite a lot of erosion in northern Ontario. As this is really a national matter by reason of the fact that we are going to spend $3,500,000 for that board alone, and that three provinces are represented and different bodies within those provinces, I believe it would be well for the government to have every section of Canada represented on that commission. I make this appeal to the minister knowing he will readily see my viewpoint. If the west suffers the industrial east, as some call it, is also going to suffer. You cannot have a large section of this country living under trying conditions without it affecting all the rest of the population. So leaving the number thirteen aside, of which I am not superstitious at all—if I were on the commission I would gladly sit notwithstanding that—all the provinces should be represented in this national scheme.

Mr. WEIR (Melfort): The fact that this is under the experimental farm system gives assurance that all scientific knowledge and the results of reasearch will be made available to the commission. I do not believe it was brought to their attention that the number was thirteen, but what we had in mind was keeping the commission as small as possible so that it would not be unwieldy, so long as we had all parties represented that could add anything to the project, and especially could bring before their own people the problem we were endeavouring to solve.

Mr. WEIR (Macdonald): Having in view the possible extension of the drought area I would ask the minister if he has given any consideration to assistance in providing grass seed. I understand some branch of the Department of Agriculture has a policy of giving out free seedling trees, stipulating the conditions under which those trees shall be planted. I am very much impressed with the idea of the use of grass, and if some provision were made whereby assistance could be given towards providing grass seed at low cost and stipulating that it be seeded on summer fallow it would be a step in the right direction and help to prevent the extension of this drought condition, especially with respect to drifting.

One word in reference to the observation of the hon. member for Souris (Mr. Willis) regarding the work of the Canadian Conservation Institute, set up in Winnipeg as a voluntary organization for creating interest in

this drought problem and trying to interest the public all over Canada in it, in fact not only all Canada but I think some work has been done in the United States. Is any effort made under this bill to bring in the services of that body?

Mr. WEIR (Melfort): All their information and service will be available. We called a meeting some time ago in Ottawa at which some of the prime movers of that committee were present. The whole point is that as I said, we do not want this committee to become unwieldy.

With reference to the supply of grass seed, a policy has been in effect for some time whereby free grass seed is given in the western provinces to selected farmers on condition that they will return the same quantity of seed for further distribution. In eastern Canada—I might explain before the question is asked—we do not give that assistance, the reason being that in the east they feel that they can make better use of the money in buying seed grain cleaners, et cetera. We follow very much the recommendation of the premiers. In the west they recommend what I have just stated.

I noted what the hon. member for Macdonald (Mr. Weir) stated yesterday with reference to the near-dried-out area, and the importance of taking steps to try to seed down certain areas while there is sufficient moisture to get rapid growth. One difficulty is to obtain a supply of suitable seed. That is what I had in mind when I made the statement on this in connection with my estimates, that we believe it is absolutely essential to get a sufficient quantity of seed so that we can almost afford to waste it in giving it away, once we have demonstrated beyond doubt where it should be used to the best advantage. We have practical control of all the best seed that we think suitable, at least of sufficient of it for our needs, and it has been put out where it will grow and multiply most rapidly and it will still be kept under control with the aim of having within another year from half to three quarters of a million pounds of the best kind available, together with much larger quantities of seed clover and brome grass, though perhaps not so much of the most hopeful strain of brome grass.

Mr. HOWDEN: I realize that strictly speaking we are not considering means of dealing with the drought menace in the west, but a bill for the appointment of a commission to act in the matter. However, there are one or two points which I think should be mentioned here and now. For the last fifty years in Manitoba we have been doing our best to drain off the water. The province is furrowed with deep ditches. We have a fairly ample and abundant supply of water in the spring, but soon after the freshets set in the water is gone. I realize that this is a provincial matter but it seems to me that if the province would take means to block a number of these ditches it would have a very beneficial effect.

There is another matter. There are, or there were a few years ago, hundreds of flowing wells, actually hundreds in the vicinity of Winnipeg. There are a great number of dairy men and milk producers in that vicinity and none were satisfied unless they got running water. They bored wells some of which were hundreds of feet deep. The water is running away, and no doubt that fact is having a very unfavourable effect so far as the moisture condition is concerned. The point which is causing me the greatest annoyance is that mentioned only a few moments ago by the minister, namely the circumstances in connection with tree planting. Just as in the past fifty years we have been doing our best to run the water off, we are now doing our best to cut down all the trees in the province. At one time the city of Winnipeg used to be heated in the winter time by coal. That was a proper procedure—and may I say right here that I have neither coal nor wood interests. However because wood has been cheaper during the past few years thousands of cords of it have been brought to Winnipeg to heat the city during the winter months. Although it is brought from low-lying districts of the province, we have no assurance that in the future those districts will not be as dry as other districts now are. Certainly we have no assurance that the trees will grow again. I realize that this is not a matter with which the minister may be able to deal, but I hope what I have said may reach the ears of members of the government in Manitoba. I do not know whether or not they have ever considered the fact that they are cutting down all the trees in the province, and that if they continue the time may soon come when we shall have none left. I sincerely trust my observations may reach them, and it is for that reason I have risen to speak.

Mr. BRADETTE: I was told by the hon. member for Kindersley (Mr. Carmichael) that the new commission would be composed of fourteen representatives, and for that reason I say the minister could not urge the objection

of unwieldiness if four new members were added to it. How much more interesting it would be for the rest of Canada to have on that commission members who would be gaining experience which could be applied in their own provinces. Were I a promoter of the bill I would most certainly make this recommendation, one which in its application would I believe prove very beneficial and would be regarded highly by the rest of the country. The subject matter of the bill is considered to be of national importance.

Section agreed to.

Section 2 agreed to.

On section 3—Committee.

Mr. MOTHERWELL: Could we not have more local farmers on the advisory committee? I am not taking exception to any who are on as provided in the bill; I think probably the classification has been well made, but may I point out to the minister that the live stock men on the committee would almost surely counteract the grain farmers' influence by way of reclamation. If one were to ask the average rancher what he thinks he would probably tell you this area should never have been opened for homesteading at all—none of it. Inasmuch as we cannot revert to the time thirty years ago when it was all ranch property, we have to deal with it as it is. I was wondering if the minister had gained any information from his experts, a number of whom are well posted on this area, and if they believe it would be better to let nature take charge of these lighter land areas composed of soils which tend to drift and which except in good years, cannot produce crops. Would it not become covered by whatever verdure nature may supply, such as Russian thistles, cacti, sage brush or any other plant indigenous to dry areas? Then through time grasses would appear. Nobody knows where they come from, but the fact is they do come. We know the birds distribute seeds, and other seeds are blown in from neighbouring districts. There is an area between Medicine Hat and Brooks about eighty miles in length which at one time was under cultivation and which now has a first class sod, affording good pasture just by letting it alone. Of course the longer the land has been under cultivation the slower will be the process of regrassing carried on by nature. It seems to me anything would be better than repeatedly stirring up these light soils and allowing them to be blown away. Not only are those particular places injured, but the drifting soil causes injury where it may light as already pointed out.

[Mr. Bradette.]

If there were a few more dirt farmers on the committee I believe the results would be more satisfactory. They are the men who know the country and have been struggling against odds to try to make it go in the tilling of the safer wheat areas. Their advice would be valuable in ascertaining what would be best to do, and whether it would be wise to attempt to seed artificially by means of domestic grasses or to let nature do the seeding with anything it wishes to produce, in order that the nakedness of old mother earth might be covered up. I must repeat my belief that even at the risk of it being a little unwieldy there should be more dirt farmers on the committee.

Mr. WEIR (Melfort): With reference to the first point raised by the hon. member for Melville, may I say we have the information of ranchers and farmers, as well as officials of the department, to the effect that we can give great assistance and can speed up to a considerable extent the reclamation of this land to a point where it may be suitable for pasture and ranch property. The Tilley area to which the hon. member referred, was used for a great many years, was then abandoned and is now covered by grasses. The type of grass which seems to have made the most rapid gain is the sand grass, which is really the natural grass found on very light land. I agree entirely with what the hon. member has said about the cultivation of land which was too light to give much promise of a continuation of heavy crops, about the working out of the fibre which was in it, and bringing the soil to a point where it greatly resembled a desert.

The purpose of the undertaking is simply to investigate, to demonstrate what can be done and the best way in which it can be done. However the actual physical setting aside of certain areas for either ranching or farming is the prerogative of the province. The information which we obtain will be made available to the provinces. Perhaps it is not quite fair to make that statement, because the committees in each of these provinces have for years been working together. The experimental farm officials are not the only ones who have been gathering information. The federal representative sits in with the provincial representatives, and those from the various universities in western Canada. Once a year at the meeting of the national advisory committee on agricultural services we have a joint meeting at which all the work is re-

viewed. So we believe we have complete cooperation all along the line, and have facilities whereby all available information may be used. May I repeat—because this point does not seem to be understood—that this work is done not by federal or provincial representatives, or by colleges, but by joint committees working together. The work has been so successful and so deeply appreciated among the officials themselves that I believe they sometimes forget whether they are connected with federal or provincial departments, or with the universities. In order to get the best results some person or persons had to be placed in charge of the work which, after all, is only a very considerable extension of experimental farm research work.

Mr. MOTHERWELL: I think the minister touched on a very important matter when he said the responsibility of setting aside these badly drifted areas and devoting them to grass and community pastures is really a prerogative of the province. In making that statement he indicated that the most important thing that should be done immediately is a provincial duty, if I understood him aright. Therefore I was wondering if the minister would consider the advisability of assisting the province financially in converting these areas into community pastures in order to have the drifting stopped as quickly as possible. That would be in addition to the other activities that are provided for and which have been more or less under evolution and trial for twenty-five years. I do not think there is enough grass seed in Canada to seed the areas that should be closed out as quickly as possible.

Mr. WEIR (Melfort): No doubt about that.

Mr. MOTHERWELL: That is a provincial duty, and it seems to me that would be a great step forward to leave this to the province but assist them financially in doing so. Of course this advisory committee will have to be consulted. They will know more about the local details than I do, because I have not been in that area for some time and I would not care to prescribe in particulars. At the same time I know there are areas where you cannot grow grain and other areas where you can. We want to salvage and rescue the good areas and convert the others into something more useful than sources of drifting sand. Would the minister consult the Minister of Finance and his other colleagues in regard to doing something financially to take care of these prospective pasture areas with which the province has the primary duty, as he indicated?

Mr. WEIR (Melfort): We have been doing, and under this scheme it is intended to do, just exactly what the hon. member has suggested. Realizing the importance of having almost unlimited supplies of these grass and clover seeds in connection with this work, we have made a survey as to where they can be multiplied most rapidly. We have practically taken control of sufficient of the best of the seed that is available to ensure this supply in the shortest time possible. I think there is no necessity of dwelling longer on this fact, that this is really part of the project. Next year we may require a larger vote in this connection to adopt whatever means may be necessary to multiply a larger quantity of grass seeds that we will keep on hand. It is intended that this grass seed shall be made available as soon as sufficient quantities have been multiplied, and of all the grasses of which there are sufficient quantities, as soon as we have discovered the best possible use to make of it.

Section agreed to.

Sections 4 to 9 inclusive agreed to.

Title agreed to.

Bill reported, read the third time and passed.

SUPPLY

DEPARTMENT OF PUBLIC WORKS

The house in committee of supply, Mr. Morand in the chair.

Public buildings—Nova Scotia—
Bridgetown—public building, $30,000.
Halifax — maintenance of immigration quarters, $25,000.
New Waterford—public building, $44,000.
Oxford — public building, $30,000.

Mr. POULIOT: Mr. Chairman, my remarks will be very brief. I desire to communicate to the committee some first hand information I have received from the municipalities whose representatives came to Ottawa not long ago, in regard to unemployment relief, since I understand that to a large extent the money to be spent by the Department of Public Works is intended to relieve unemployment. There were sixty-

eight municipalities represented in that delegation. Information has been received from fifteen; information is to come from eight; there is no information from six and no answer has been received yet from thirty-nine. The information is as follows:

Municipality—	Population	Number of unemployed	Unemployed labourers
Belleville, Ont.	13,790	420	188
Buckingham, P.Q.	4,638	89	68
Chatham, Ont.	14,569	676	419
Grand'Mère, P.Q.	6,461	272	175
Kitchener, Ont.	30,793	1,530	404
Mimico, Ont.	6,800	372	121
Ottawa, Ont.	126,872	8,500	5,789
Rivière-du-Loup, P.Q.	8,499	326	149
St. Hyacinthe, P.Q.	13,488	235	143
St. Jérôme, P.Q.	8,967	358	251
Saint John, N.B.	47,514	1,095	651
St. Thomas, Ont.	15,430	804	223
Stratford, Ont.	17,742	602	176
Ville St. Pierre, P.Q.	4,185	122	76
Walkerville, Ont.	10,105	393	132

The total population of these fifteen cities in New Brunswick, Quebec and Ontario is 329,813. The total number of registered unemployed is 15,794, and the total number of unemployed labourers is, 8,965. Mayor Davis of Chatham, Ontario, has stated that for the purposes of accuracy one should add at least one-third to cover the unemployed not registered.

The CHAIRMAN: There are other items under Labour in connection with which this matter could be better discussed.

Mr. POULIOT: I am giving the complete information which I have received to the Minister of Public Works (Mr. Stewart). My opinion is that no policy of public works should be inaugurated until the government has full information as to the classification of the unemployed according to their trade or profession. May I submit certain figures in order that the committee may have some information as to the number of unemployed who are employable? I do not intend to give all the figures I have in connection with the trade or profession of these unemployed, but I shall give a general summary. In order to save the time of the house, I am having these statistics stencilled. Each hon. member will receive a copy to-morrow.

The total number of unemployed in these fifteen cities is 15,794. If we add one-third, as suggested by the mayor of Chatham, it will make 20,000, in rough figures. Each unemployed head of a family is generally the support of five people, so if we multiply this figure by five, it gives us 100,000 unemployed out of a population of 329,000. The number of labourers unemployed is more than one-half the total number. It may be said that this information is not complete. I agree with that statement, but on the other hand these figures demonstrate that it is possible to obtain full information. Information is to come from the eight following municipalities:

Chicoutimi, Quebec
Hull, Quebec
Joliette, Quebec
Montreal, Quebec
Sherbrooke, Quebec
Toronto, Ontario
Three Rivers, Quebec
Verdun, Quebec.

Every hon. member has received copies of the correspondence which I had with Mr. Trépanier, leader of the council in Montreal. At first this gentleman stated that the convention of mayors had complete information as to the trade or profession of the unemployed, but later he admitted that that statement was not correct. He says that he will ask General Panet to get the information. His Worship, Mayor James Simpson of Toronto, referred me to a Mr. Fred Bancroft in Montreal. I found it rather strange that I should have to go to Montreal to obtain information in connection with Toronto. This shows how lightly some of these gentlemen treat this matter. I mentioned this to Mayor Simpson and I was told that Mr. Bancroft was his personal representative. The mayor of Toronto has said that he will see that the information requested is supplied. All this goes to show that when the mayors knocked at the door of this house they were not prepared to answer some pertinent questions which might have been asked by hon. members. This remark does not apply to all the members of that delegation but it does apply to those who did not have the information requested and who refused to get it together. I should like to pay a tribute to the mayors who have sent the information already or

who have said that they will send it later. No information is yet available from the six following municipalities:

Campbellton, New Brunswick
Cornwall, Ontario
Lachine, Quebec
London, Ontario
Pointe Claire, Quebec
Saskatoon, Saskatchewan.

The municipalities which as yet have not answered my letter of April 1 are the following thirty-nine:

Charlottetown, Prince Edward Island
Halifax, Nova Scotia
Amherst, Nova Scotia
Sydney, Nova Scotia
Glace Bay, Nova Scotia
Moncton, New Brunswick
St. Lambert, Quebec
Quebec, Quebec.
Longueuil, Quebec
Laprairie, Quebec
Sorel, Quebec
Farnham, Quebec
Cap-de-la-Madeleine, Quebec
Mont Joli, Quebec
Thetford Mines, Quebec
Shawinigan Falls, Quebec
Waterloo, Ontario
Sarnia, Ontario
Vankleek Hill, Ontario
Wingham, Ontario
Niagara Falls, Ontario
North Bay, Ontario
Goderich, Ontario
Sudbury, Ontario
Windsor, Ontario
Simcoe, Ontario
Winnipeg, Manitoba
St. Boniface, Manitoba
Kildonan West, Manitoba
Regina, Saskatchewan
Wilkie, Saskatchewan
Moose Jaw, Saskatchewan
Edmonton, Alberta
Calgary, Alberta
Lethbridge, Alberta
Victoria, British Columbia
Vancouver, British Columbia
New Westminster, British Columbia
Revelstoke, British Columbia.

I hope that these municipalities will soon give the required information. As soon as it is received it will be copied and communicated to all members of this house as well as to members of the press gallery. It is time a general survey was made of the unemployed in this country, and it is essential that we should begin with the basic facts; we should start with the a, b, c, so to speak, in order to know just where we are. At the present time we are in the fog. In the past five years, at least fifty times, I have insisted on the importance of classifying the unemployed according to trade or profession. Last year the Prime Minister agreed that it was a very sensible suggestion and finally this year the suggestion has met with the approval of the Minister of Labour. I have taken advantage of the visit of the mayors to Ottawa to ask these sixty-eight municipalities to give me the information asked for. It will be very representative of the unemployment problem throughout Canada, because the capital city of each province was represented in that delegation; and if we have those figures we shall know the number of unemployed who are employable, according to trade or profession, in the larger cities of the country. It is for that reason that I have taken a few minutes to mention these facts to the committee. I maintain that it will be impossible for the government to draft any constructive policy with regard to the relief of unemployment until the unemployed are so classified. Each one must be considered individually, just as the soldiers were looked after individually when they were wounded on the battlefield. It is the only way to deal with the problem, and I hope that if some of the municipalities already referred to were reluctant to give the information asked for, some means should be taken, either by this government or by the provincial governments, or by federal and provincial governments together, if there is an interprovincial conference, to see that the information is secured. That information, as soon as it is secured, and if compiled by the bureau of statistics, would give the government an opportunity to draft a policy which might be of duration for the relief of the unemployed.

Hon. H. A. STEWART (Minister of Public Works): I allowed this item to stand at the request of some hon. gentlemen and I told the house that when it was resumed I should be prepared to give full information in connection with the undertakings of the Department of Public Works under the provisions of the Public Works Construction Act, 1934. I think it fair and proper to give to the committee at once a brief, concise and fairly complete resumé of the activities of the Public Works department under this act, together with the expenditures and the balance of the appropriation still available.

As will be recalled, the object of the act was to provide work, thus in a measure to relieve unemployment, to stimulate the building industry and in a general way to encourage the construction industry at large. The objects of the act are set out in the preamble and are quite familiar to the members of this committee. The act provides that the work shall be allocated or allotted by order in council to such department as may appear proper, such department as can best carry it out in the public interest. Under that section of the act the following allotments

were made: Public Works, $26,436,374.48; Marine, $7,150,080.80; National Defence, $2,560,050; Interior, $2,145,500; Indian Affairs, $500,000; Railways and Canals, $279,500.

Then there is an item at the end of the schedule, the sum of $500,000, to supplement specific items where required, and that has been all used except the sum of $544.72. There are special items amounting to $618,000 which are not allotted. These added together account for the whole $39,690,050 mentioned in the act. The special items that have been allotted are only two in number and are: Fort Resolution, breakwater and wharf extension, $18,000, and Windsor, Ontario, elevator, $600,000, which has not been undertaken for reasons the details of which it is perhaps not necessary to go into at this time.

Mr. CASGRAIN: Why?

Mr. STEWART (Leeds): The Department of Trade and Commerce and other departments are considering whether it is advisable to proceed with the work, and for that reason it has not been allotted to any particular department. As regards the amount allotted to the Public Works department, the following are the details:

Buildings, $19,113,354.
Harbours, $6,752,520.48.
Bridges, $525,000.
Telegraph lines, $45,500.

This gives a total of $26,436,374.48. The expenditures allotted to the Public Works department, as at March 31, 1935, amounted to $5,203,046.

Mr. CASGRAIN: Expended?

Mr. STEWART (Leeds): Expended up to March 31. In that connection I think it proper to point out that this bill was passed on the 30th day of June, 1934, and plans had to be prepared in connection with buildings and undertakings, specifications drafted and contracts awarded. Then of course there has been since that time the winter season in which work had to be suspended. In addition to that it must be borne in mind that while this amount is the actual expenditure, a considerable sum in addition has actually been earned, because estimates for contractors are delayed. They are not sent in until the end of the month and sometimes, after that, there is checking and further delay. There is involved of course the drawback. So that in addition to the amount shown as actually expended a considerable sum has been earned.

I can provide the committee with the particulars of the expenditures in each of the departments prior to March 31, 1935, as follows:

Department—	Expenditures to March 31, 1935	Outstanding commitments in addition	Total
Indian Affairs	$ 177,158 07	$ 185,101 16	$ 362,259 23
Interior	913,920 44	51,461 30	965,381 74
Marine	975,637 15	2,337,204 56	3,312,841 71
National Defence	420,940 64	1,076,545 85	1,497,486 49
Public Works	5,203,046 39	13,971,135 52	19,174,181 91
Railways and Canals	162,677 26	116,766 09	279,443 35
Totals	$7,853,379 95	$17,738,214 48	$25,591,594 43

Mr. ELLIOTT: Would the minister kindly give again the total expenditure to March 31?—because I have received from the Minister of Finance a statement which does not correspond with the figures my hon. friend is giving.

Mr. STEWART (Leeds): I think the statement my hon. friend has is not of the same date. I think he will find that his is a month earlier. I got mine up to the last date that was available, March 31. The figure of the total expenditure of all departments is $7,853,379.95.

Mr. ELLIOTT: I might say that the statement furnished to me was to February 28.

Mr. STEWART (Leeds): The amount of contracts awarded by public tender by the Public Works department is $14,285,326, of which I can give a detailed list if the committee would like to have it.

Mr. DONNELLY: Public tender?

Mr. STEWART (Leeds): Public advertisement and tender.

Mr. ELLIOTT: Would the minister give the name of the contractor in each case, and if convenient it would help the committee if he would give the number of the order in council awarding the contract.

Mr. STEWART (Leeds): I can give that. I assume it might be well to give the number of the item. The list is as follows:

6. Barrie, Ont.—Reconstruction of Bayfield street wharf:
Order in council August 18, 1934, William Bermingham & Son, $11,407.

9. Belleville, Ont.—Dredging:
Order in council July 11, 1934, Randolph McDonald Company, Limited, $16,900.
Order in council August 18, 1934, extras, $2,376—Total, $19,276.

14. Brooklyn, N.S.—Breakwater extension:
Order in council September 12, 1934, M. A. Condon & Son, $58,696.

15. Brooklyn, N.S.—Dredging:
Order in council July 14, 1934, Southern Salvage Company, $20,045.
Additional dredging authorized October 21, 1934, $3,180—Total, $23,225.

17. Burlington Channel, Ont.—Reconstruction of pier:
Order in council July 11, 1934, Ontario Construction Company, Limited, $9,987.

20. Cantic, Que.—Building for immigration and customs purposes:
Order in council August 31, 1934, E. Hubert, $15,000.

22. Cap-de-la-Madeleine, Que.—Wharf repairs:
Order in council July 18, 1934, Francis River Dredging Company, $13,990.

Mr. ELLIOTT: I assume they were all let to the lowest tenderer except in a few cases where some change was made in that method. Would the minister mind giving to the committee the cases where contracts were not let to the lowest tenderer?

Mr. STEWART (Leeds): I think I can give that, but if I may be allowed to complete the whole statement, I shall be glad to do that. So far the contracts have all been let to the lowest tenderer. The list continues:

25. Champlain dry dock, Que.—Keel blocks:
Order in council July 30, 1934, La Fonderie St. Anselme, Limited, $15,973.

32. Dalhousie, N.B.—Post office:
Order in council August 6, 1934, George Eddie Company, third tender, at price of lowest tender Stewart Construction Company, $31,428.
Fittings—Order in council February 9, 1935, J. & D. A. Harquail Company Limited, $1,111—Total, $32,539.

38. East River, N.S.—Dredging:
Order in council August 13, 1934, Beacon Dredging Company, $17,003.

39. Edmonton, Alta.—Royal Canadian Mounted Police barracks:
Tenders have been received; contract is not yet awarded as the matter is before council, $248,944.

41. Escuminac, N.B.—Breakwater extension:
Order in council 26th July, 1934, Harold M. Price, $22,232.

43. Father Point, Que.—Wharf reconstruction:
Order in council August 18, 1934, L. Lemieux, $20,811.
Extras authorized, $855—Total, $21,666.

45. Fort William, Ont.—Public building:
Order in council August 6, 1934, Pigott Construction Company, $288,395.

47. Fraser river, B.C.—Improvements wing dams:
Tenders have been received; order in council April 5, 1935, Coast Quarries Limited, $47,104.

48. Fraser river, B.C.—North arm, dredging:
Order in council August 6, 1934, B.C. Bridge and Dredging Company, $58,657.

54. Georgetown, Ont.—Public building:
Tenders due March 26th. Matter before council, contract not yet awarded, $39,125.

55. Grand Etang, N.S.—Extension of west pier:
Order in council July 26, 1934, Morrison and Thorne, $9,416.

56. Grand Rivière, Que.—Harbour repairs and improvements to jetty:
Order in council August 18, 1934, William D. Buckley and A. J. Urquhart, $27,170.

57. Guelph, Ont.—New public building:
Order in council January 17, 1935, Tope Construction Company of Hamilton, $146,450.

60. Halifax, N.S.—Replacement of machine shop:
Order in council March 25, 1935, Brookfield Construction Company Limited, $87,269.

71. Hamilton, Ont.—Harbour improvements, piers, floats and pile clusters:
Order in council July 14, 1934, Russell Construction Company, $11,720.
Extras, order in council October 20, 1934, $5,300—Total, $17,020.
Dredging, order in council August 6, 1934, Canadian Dredging Company, $18,050.
Additional amount, $4,807—Total, $22,857.

72. Hamilton, Ont.—Public building:
Order in council February 19, 1935, Yates Construction Company, $1,663,000.
Additional, order in council April 6, 1935, $6,782—Total, $1,669,782.

74. Hantsport, N.S.—To complete siding to wharf:
Order in council August 6, 1934, R. & A. Parsons, $14,627.

83. Kingston, Ont.—Paving La Salle causeway:
Order in council July 18, 1934, J. S. Grant and Company, $13,086.
Further extension, $2,249—Total, $15,335.

85. Kincardine, Ont.—Reconstruction of north wall:
Order in council July 18, 1934, Henry & Ross, $13,481.

86. Lacolle, Que.—Building for immigration and customs purposes:
Order in council October 6, 1934, F. E. Girard, $20,000.
Additional amount, $1,060—Total, $21,060.

90. London, Ont.—Public building:
Order in council March 11, 1935, Pigott Construction Company, $1,031,429.

92. McAdam, N.B.—Public building:
Order in council July 26, 1934, New Brunswick Contractors Limited, $18,881.
Additional reinforcing floor, $1,175—Total, $20,056.
Fittings, order in council January 7, 1935, Canadian Office & School Furniture Limited, $865.

93. Marie Joseph, N.S.—Wharf:
Order in council August 30, 1934, C. J. Walker, $6,912.

94. Malagash, N.S.—Wharf extension:
Order in council July 19, 1934, R. A. Douglas, $23,455.

95. Malloch's Beach, N.B.—Breakwater:
Order in council October 11, 1934, Wilson & DeWolfe, $19,958.

97. Midland, Ont.—Pier "C" retaining wall "F" and floats:
Order in council August 16, 1934, Russell Construction Company, $89,943.
Additional steel, $1,488—Total, $91,431.

98. Moncton, N.B.—Public building:
Order in council August 6, 1934, Acme Construction Company, $443,585.
Additional storey, $120,000.

101. Montreal, Que.—Public building, addition:
Order in council December 3, 1934, The A. Janin Building Company Limited, $1,295,525.

102. Montreal, Que.—Notre-Dame de Grâce postal station:
Order in council July 26, 1934, L. G. Ogilvie & Company, $98,390.
Addition to building and some other additions, $31,441.25.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. STEWART (Leeds): Mr. Chairman, at six o'clock I had just reached item 103.

103. Montreal, Que.—Postal terminal building:
Order in council August 22, 1934, Duranceau & Duranceau, $1,443,692.
Order in council November 15, 1934, excavation by hand, $56,308.
Foundation, order in council February 11, 1935, Anglin Norcross Limited, $257,750, of which $89,000 from Duranceau contract.
Order in council April 6, 1935, extras to Duranceau contract, $3,440 for grading and $4,698.54 concrete platforms. Total, $8,138.

110. Nanaimo, B.C.—Assembly wharf:
Tenders due March 20, 1935, Lowest Pacific Engineers, Limited (not yet awarded), $176,086.

111. New Toronto, Ont.—Public building:
Tenders due March 29, 1935. Sent P.C. April 2, 1935. Lowest Dickie Construction Company, $75,655.

113. Northwest Cove (Tancook), N.S.—Breakwater extension:
Order in council August 25, 1934, R. A. Douglas, $8,770.

115. Oakville, Ont.—Dredging:
Order in council July 11, 1934, C. S. Boone Dredging and Construction Company, $19,200.

116. Oshawa, Ont.—Harbour improvements:
Order in council July 26, 1934, R. C. Hoffman, wall and dredging, $76,249.
Additional piling, $1,958—Total, $78,207.
Order in council August 30, 1934, additional work on contract, $13,740.
Order in council July 14, 1934, W. J. Trick (for shed), $4,869

117. Ottawa, Ont.—Postal terminal building:
Order in council March 11, 1935, A. W. Robertson for superstructure, $609,625, and The Foundation Company of Canada, $76,714, $686,339.

118. Ottawa, Ont.—Central experimental farm:
Administration building; tenders due March 5, 1935. Lowest H. Dagenais, sent P.C., $126,739.

121. Ottawa, Ont.—Royal Canadian Mounted Police Building:
Order in council December 18, 1934, U. Boileau Limited, $1,198,000.
For alternative system of heating, $6,670—Total, $1,204,670.

122. Ottawa, Ont.—Royal Canadian Mint, new refineries:
Order in council January 23, 1935, H. Dagenais, $358,400.
Order in council March 1, 1935, H. Dagenais, addition to mint, $53,910.

125. Owen Sound, Ont.—Harbour improvements:
Wall and dredging:
Order in council September 1, 1934, Hill & Sibbald Limited, $27,251.02.
Order in council November 8, 1934, extras authorized, $15,550.
Extras, $292—Total, $43,093.02.

127. Pointe au Pic (Murray Bay), Que.—Wharf extension:
Order in council October 20, 1934, Hill & Sibbald Limited, $117,072.

129. Port Arthur, Ont.—Repair and complete section of breakwater:
Order in council August 6, 1934, Canadian Dredging Company, $139,250.

130. Port Burwell, Ont.—Reconstruction of west wall:
Order in council July 26, 1934, Farley & Grant, $12,953.
Additional work authorized August 25, 1934, extension to contract, $1,557—Total, $14,510.

131. Port Daniel East, Que.—Wharf reinforcement:
Order in council July 26, 1934, L. Lemieux, $18,997.

132. Port Greville, N.S.—Breakwater extension:
Order in council July 26, 1934, R. A. Douglas, $6,575.

133. Port Hope, Ont.—Wharf extension:
Order in council August 6, 1934, Hill and Sibbald, Limited, $22,696.80.

134. Port Stanley, Ont.—Repairs to harbour works:
Order in council July 14, 1934, Cameron and Phin, $13,752.18.

146. Rimouski, Que.—Wharf extension:
Order in council July 19, 1934, La Cie Senterre, $14,617.10.

147. Rivière Ouelle, Que.—Wharf reconstruction:
Order in council August 30, 1934, L. Levesque, $29,957.

149. Sorel, Que.—Repairs to wharf:
Order in council October 18, 1934, Cummins Construction Company, $75,866; extras authorized, $1,825—total, $77,691.

150. St. Andrews, N.B.—Wharf repairs:
Order in council August 6, 1934, W. A. McVay, $19,318.

151. St. Andrews Lock and Dam, Man.—Reconstruction of spare lock gates:
Order in council September 28, 1934, Carter-Halls-Aldinger, $24,124.

152. St. George, N.B.—Dredging:
Order in council July 14, 1934, T. O'Leary (sublet to Saint John Dredging Company), $12,699.

158. Sarnia, Ont.—Warehouse on wharf:
Order in council August 6, 1934, R. McKay, $20,682.

160. Shippigan, N.B.—Wharf extension and repairs:
Order in council July 19, 1934, F. T. Landry, $20,018.
Authorized September 16, 1934, additional crib work, $1,610—total $21,628.

163. Sydney, N.S.—Warehouse extension:
Order in council July 19, 1934, Chappells Limited, $8,572.
Authorized October 23, 1934, additional work, $1,023.30—total, $9,595.30.

167. Timiskaming Dam, Que.—Reconstruction of Quebec side:
Order in council July 19, 1934, T. C. Gorman Construction Company, $455,176.

168. Toronto, Ont.—Customs building addition:
Order in council February 5, 1935, Redfern Construction Company, $547,900.

169. Toronto, Ont.—Postal Station "D":
Due March 26, 1935, order in council April 6, 1935, The Jackson Lewis Company, $125,000.

171. Toronto, Ont.—New dock at marginal way:
Order in council December 19, 1934, Dominion Construction Corporation, $690,661, of which department pays $487,201, and harbour commission, $203,460.

178. Wallaceburg, Ont.—Public building:
Order in council October 6, 1934, Schultz Construction Company Limited, $39,095.

181. Winnipeg, Man.—New public building:
Order in council March 11, 1935, Carter-Halls-Aldinger, plus $4,500, alternative system of heating and plus $5,000 for hand excavation, $1,417,229.

183. Winnipeg, Man.—Post Office addition:
Order in council January 7, 1935, Carter-Halls-Aldinger, $264,899.—Total public tenders, $14,285,326.65.

Then the total amount of contracts let by local tenders was $937,557.66. The list is not so long; I might give it:

2. Amherst, N.S.—New public building, excavation:
Authorized 24.11.34 Rhodes Curry, $2,330.

7. Beauport, Que.—Public building:
Order in council 5.2.35, P. Mathieu, $16,365,

8. Berthierville, Que.—Public building:
Order in council 4.2.35, E. Tellier and A. Mousseau Fils of Berthierville, $42,420.

11. Boissevain, Man.—Public building:
Order in council 18.12.34, Dring Bros., $17,500.

12. Bow River, Alta.—Retaining wall:
Order in council 3.12.34, Mannix & Owens, $59,197.
Order in council 14.1.35, additional to contract, $32,495—Total, $91,692.

16. Burke Falls, Ont.—Public building:
Order in council 18.12.34, H. L. & Paul Gomoll, $22,000.

39. Edmonton, Alta.—Royal Canadian Mounted Police barracks, excavation:
Authorized 25.10.34, Ed. Clark, $2,460.

40. Elmwood, Man.—Public building:
Order in council 2.3.35, G. A. Baert, $23,984.

49. Fredericton Experimental Farm, N.B.—New dormitory:
Order in council 3.11.34, A. & R. Forbes, $49,988 plus extra $1,486, $51,474.

51. Gagetown, N.B.—Public building:
Due April 18th, estimated cost, $7,000.

53. Gananoque, Ont.—Wharf and dredging:
Dredging, order in council 27.10.34, Canada Dredging Company, $11,135.
Order in council 27.11.34, additional dredging from supplement vote, $2,100—Total, $13,235.
Wharf, order in council 27.10.34, Mitchell & Wilson Limited, $10,881.

73. Hamiota, Man.—Public building:
Order in council 17.11.34, Imperial Building and Supplies Limited, $7,863.

103. Montreal, Que.—Postal terminal building, foundation:
Order in council 11.2.35, Anglin Norcross Limited, $257,750, of which $89,000 from Duranceau contract, $168,750.
Authorized 25.2.35, purchase and demolition of Workman building, W. J. Lajeunesse & Company accepted, $2,250.

114. Norwood Grove, Man.—Public building:
Order in council 3.12.34, Claydon Company, $17,823.
Authorized 21.12.34 for deeper foundation, $2,621—Total, $20,444.

124. Outlook, Sask.—Bridge across the south Saskatchewan river—substructure:
Order in council 5.2.35, Bird Construction Company, $134,522.

154. St. Joseph, D'Alma, Que.—Public building:
Order in council 5.2.35, Maltais & Gagne, $24,100.

155. St. Lambert, Que.—Retaining wall:
Order in council 14.9.34, Baillergeon & Poirier, $25,781.82.
Order in council 15.11.34, extra to contract, $13,300—Total, $39,081.82.

159. Selkirk, Man.—Bridge over Red river—substructure:
Order in council 11.2.35, Macaw & McDonald, $79,817.84.

161. South Bay Mouth, Ont.—Wharf:
Order in council 8.11.34, L. R. Brown & Company, $9,613.

182. Winnipeg, Man.—Extension Deer Lodge hospital:
Order in council 6.10.34, Couture and Toupin, $114,000.

177. Victoria, B.C.—Little Saanich observatory, improvements:
Order in council 6.10.34, Corp. Saanich, water main, $20,000.
Order in council 6.10.34, A. Lockley, road, $6,850.
Order in council 6.10.34, Coast Construction Company, underbrushing, $3,500.
Authorized 3.11.34, Canadian Fairbanks Morse, pump, $2,340.
Authorized 3.11.34, A. Lockley, concrete pump house, $645.
Authorized 3.11.34, Coast Construction Company, more underbrushing, $2,440—$35,775—Total for local tenders, $937,557.66.

Mr. ELLIOTT: I wonder if my hon. friend would speak a little louder.

Mr. STEWART (Leeds): I think my hon. friend has the information. However, I will try to speak a little louder. The work authorized by day labour was as follows:

3. Arras to Fellers Heights, B.C.:
Telephone line, $3,000.

4. Assiniboine river, Man.—Dyking and repairing present dykes:
Order in council 6.8.34, $30,000.

12. Bow River, Alta.—Retaining wall:
Order in council 14.1.35, protection St. Georges island, $33,650.
Order in council 30.3.35, protection east end of St. Georges island, $10,000.

19. Campbellton, N.B.—Wharf repairs:
Order in council 8.9.34, $10,000.

21. Cap aux Meules, M.I., Que.—Wharf repairs:
Authorized 19.2.35, $750.

22. Cap-de-la-Madeleine, Que.—Wharf repairs:
Order in council 11.10.34, $8,900.

24. Champlain and Lorne dry docks, Que.—Repairs to buildings, Caisson House, hose tower and concrete masonry:
Order in council 13.7.34, $18,000.

25. Champlain dry dock:
Cap pieces and painting, $2,380.

27. Cheticamp, N.S.—Dredging:
Order in council 26.10.34, authorized work by dredge No. 5, $29,000.
Order in council 13.2.35, repairs to dredge No. 5, $7,879—total, $36,879.

34. Dawson Creek, B.C.:
Installation of telephone exchange, $3,700.

35. Digby, N.S.—Breakwater:
Order in council 26.7.34, $17,500.

36. Dingwall, N.S.—Dredging:
Order in council 26.10.34, authorized work by dredge No. 5, $19,000.
Order in council 13.2.35, repairs to dredge No. 5, $8,000—total, $27,000.

46. Fort St. John to Cecil Lake, B.C.:
Telephone line, $2,000.

50. Fredericton, N.B.—To take over and reconstruct city wharf:
Order in council 15.9.34, $23,000.

56. Grand Rivière, Que.—Jetty and extension to west jetty:
Order in council 26.7.34, $18,427.

60. Halifax, N.S.—Repairs to wharf No. 1:
Order in council 13.8.34, $10,100.

71. Hamilton, Ont.—Widening wharf:
Order in council 22.8.34, $7,400.

76. Hnausa, Man.—Breakwater:
Order in council 18.7.34, $18,000.

80. Keg River to Carcajou, Alta.—Telephone line:
Order in council 19.7.34, $7,400.

88. Lillooet-Bridge River, B.C.—Telephone line:
Order in council 19.7.34, $7,900.

96. Margaree Harbour, N.S.—Improvements:
Order in council 22.8.34, $22,200.

99. Montague River, P.E.I.—Dredging:
Order in council 16.8.34, $10,300, dredge No. 9.
Order in council 20.10.34, $25,000, dredge No. 9—total, $35,300.

112. North shore St. Lawrence—Construction, telegraph system from Pentecoste eastward:
Order in council 19.7.34, $9,000.

124. Outlook, Sask.—Approaches to bridge across the south Saskatchewan river:
Order in council 15.11.34, $18,000.
Order in council 8.11.34, $5,000—total, $23,000.

131. Port Daniel East, Que.—Wharf reinforcement:
Bulkheads, $850.
Repairs to flooring, $600—total, $1,450.

132. Port Greville, N.S.—Breakwater repairs:
Authorized 25.1.35, $500.

143. Quesnel-Barkerville telegraph line, B.C.—Reconstruction:
Order in council 19.7.34, $6,300.

157. Saguenay river, Que.—Dredging near Chicoutimi:
Order in council 26.7.34 by departmental plant, $22,000.

162. Summerside, P.E.I.—To take over a further section of the Canadian National Railways wharf and repair same:
Order in council 22.8.34, $16,400.

175. Vancouver, B.C.—Stanley Park, bank protection:
Order in council 26.7.34, $14,000.

184. Winnipeg Beach, Man.—Rebuilding breakwater:
Order in council 13.7.34, $18,500.

185. Yukon Telegraph System—Shifting line between 8th and 9th cabins and replacing bridges across Big and Little Cottonwood Creeks:
Order in council 19.7.34, $6,200.—Total for day labour works, $470,836.

Then under harbours and rivers we had a vote of $2,500,000, of which $2,224,118.59 has been spent leaving a balance of $240,881.41. Under public buildings generally there was assigned to the Public Works department $1,650,000, all of which has been spent with the exception of $17,783.71.

Now, Mr. Chairman, I think I have given a fairly comprehensive review of the expenditures. To summarize it, the net result is that about $10,000,000 of the round sum of $40,000,000 has been either expended or earned, leaving approximately $30,000,000 to be expended during this year, of which all but about $6,000,000 in round figures has been undertaken. The only large buildings not yet undertaken are at Halifax, the records building at Ottawa, the public building at Regina, and the public building at Vancouver. I cannot close without saying that I think this result has been very satisfactory indeed, considering all conditions. During the current year the expenditures will be much larger than they were in the past.

Some hon. MEMBERS: Hear, hear.

Mr. CASGRAIN: Under this program or the new one? The elections are on.

Mr. STEWART (Leeds): I am glad my hon. friends agree with that.

Mr. CASGRAIN: We needed it before but you would not do it.

Mr. STEWART (Leeds): This seems to be very popular on the other side of the house. I endeavoured to point out this afternoon that this bill was not passed until June 30. The plans had to be prepared and the winter season intervened. As I have intimated, we have spent about $10,000,000 and I think we have done remarkably well. Contracts have been awarded for the construction of the larger buildings and during the current year the expenditures will naturally be much heavier.

I want to say that this could not have been accomplished without the work of members of my staff, who, like the minister, have foregone their holidays, have worked after hours and have given their most loyal and wholehearted cooperation. I want to thank hon. members on both sides of the house for the many helpful suggestions they have made. I have not been able to adopt them all, but I have done my best. I suggest that the committee hear the other ministers who I believe will have a shorter story to tell. I think the Minister of National Defence (Mr. Stirling) can give a good account of what he has done with the little money he has had. I believe the Minister of the Interior (Mr. Murphy) and possibly the Minister of Marine (Mr. Duranleau) will have statements to make. The committee would then be in possession of full information in case there are further questions to be asked.

Mr. DONNELLY: When the $40,000,000 program of public works was being considered last year we complained bitterly that Saskatchewan was not receiving its just share. The population of this province is one-tenth the population of Canada, and we should have received something in the neighbourhood of $4,000,000. All that we did get was something like $675,000. Was this because of the elections on June 19 when the Conservative party was obliterated? Perhaps that is why we did not receive our just due. We were told that we would receive consideration in the way of grants from the general votes. Apparently all that has been done is to make provision for the construction of a building in Regina which they do not know where to place or what to do with. They are also going to build a bridge over the Saskatchewan river in order to let the settlers get up north. In my opinion there is no other part of the Dominion of Canada which needs work as much as Saskatchewan. No other part of Canada has suffered as much. No part of the province of Saskatchewan has suffered as much as the dried out areas in the southern part, and yet not a dollar is being provided for these areas. Last year $400,000 was allotted to a building in the city of Regina and $275,000 to the construction of a bridge over the Saskatchewan river. I should like to know if the contracts to be awarded for these two projects will stipulate that local labour must be used, or will the contractors be permitted to bring in labour from Winnipeg and other outside places? Will the minister tell me if they have started to demolish the old building in Regina and what value has been placed upon it?

Mr. STEWART (Leeds): I would remind my hon. friend that the allocation of the works provided for by that program was not made on a provincial basis; it was based on the requirements of the dominion as to buildings and other services. If my hon. friend will consider just what the dominion has done for Saskatchewan in order to meet the exceptional conditions confronting that province, I think he will agree that much has been done. I am sure he would not expect us to construct buildings which were not needed.

Mr. DONNELLY: Where did the minister get the information that they needed a $400,000 building in Regina?

Mr. STEWART (Leeds): We had the reports of our officials and architects. I think the services are needed there.

Mr. DONNELLY: What are you going to do with it when it is completed?

Mr. STEWART (Leeds): Let me answer, please. A local architect was employed to prepare plans and we expect to invite tenders in a short time. Tenders will be called for the old buildings, or the contractor may include in his tender a bid for its removal. There will be competition in connection with it. All these contracts contain a provision that the contractor shall employ a reasonable quota of local labour and returned soldiers.

Mr. CASGRAIN: Only Tories?

Mr. ELLIOTT: I was just going to suggest what the minister has just suggested, that probably it would be advisable to have a report from the different ministers before continuing the discussion. Some of us think there should be some criticism offered but perhaps we should hear the ministers.

Mr. GARLAND (Bow River): Before we proceed I think it only fair to direct the attention of the minister to a most cruel and probably unworthy suggestion which is being made throughout the country that a far greater proportion of the total vote is being spent on works in ministers' constituencies than in other parts of the country. I think the minister should straighten out this matter and give the committee the proportion of the total vote which is being spent in the constituencies now represented by ministers of the crown.

Mr. STEWART (Leeds) I have not figured out the expenditures on that basis; I did not anticipate it would be required. I have no objection to preparing a statement along those lines and presenting it to the hon. gentleman and the committee.

Mr. SANDERSON: When the minister is preparing that information he might include the constituencies of supporters of the government.

Mr. STEWART (Leeds): I shall take that into consideration.

Sir EUGENE FISET: The minister mentioned an item of $17,000 for Rimouski, but apparently he has not been informed that the contract for this work was cancelled.

Mr. LAPOINTE: I support the suggestion of the hon. member for West Middlesex (Mr. Elliott). I think we should have the full story from the other ministers. I should like to hear the Minister of Marine (Mr. Duranleau).

Mr. DURANLEAU: I am pleased to answer the call immediately. I do not need to repeat the general statement made by the Minister of Public Works in connection with the works provided for by the act of 1934 and to be carried on under the administration of the Department of Marine. As has been stated, the numbers of the schedules put under the administration of my department are: 1, 26, 28, 61, 87, 104—

Mr. LAPOINTE: What is that?

Mr. DURANLEAU: —105—

Mr. CASGRAIN: Will the minister state what the works are?

Mr. DURANLEAU: No. 1 is aids to navigation, repairs and improvements under the Marine department, and the amount is $71,900.

Mr. POWER: Where?

Mr. DURANLEAU: The work undertaken under that item is in connection with the Main-à-Dieu. Nova Scotia, lighthouse and dwelling. The estimate was $7,000 and the contract was awarded to J. N. MacDonald, by order in council passed November 8, 1934, for $6,718.

Mr. POWER: What is the number of the order in council?

Mr. DURANLEAU: The number is 2789.

Mr. POWER: Has it been produced?

Mr. DURANLEAU: The orders in council passed in connection with general items like No. 1 have been tabled.

Mr. DUFF: Were tenders called for by public advertisement?

Mr. DURANLEAU: Tenders were called for—

Mr. DUFF: By public advertisement?

Mr. DURANLEAU: —from different firms.

Mr. DUFF: Who are the firms?

Mr. DURANLEAU: Four firms tendered, J. N. MacDonald, Louisburg, $7,775, was awarded the contract, his tender being the lowest. Next was J. Craig MacDonald, Miracut, Nova Scotia, $8,425. There were tenders also from Charles Beaver, Louisburg, Nova Scotia, $9,145, and Edward McDonald, Louisburg, $9,780.

Mr. DUFF: All good Tories.

Mr. ELLIOTT: Do they all belong to the same firm?

Mr. LAPOINTE: Oh, oh.

Mr. DURANLEAU: My hon. friend from Quebec East laughs, but if he goes to Quebec he will find that under the Public Works department, in connection with provincial works, all those from whom tenders were invited are good Grits.

Mr. LAPOINTE: That is a great answer.

Mr. DURANLEAU: The next item is the lighthouse at Sheet Rock, Nova Scotia.

Mr. DUFF: Where is that?

Mr. DURANLEAU: The order in council was passed on September 1, 1934, and the contract awarded to the McDonald Construction Company, Limited, for $7,915.

Mr. DUFF: Is that the same McDonald? That must be the McDonald from Bras d'Or

Mr. DURANLEAU: All first class contractors. That is the McDonald Construction Company, Limited, of Halifax.

Mr. DUFF: I know them; they are good Tories.

Mr. QUINN: Good anyway, whether Tories or not.

Mr. DURANLEAU: Next is Whitehead, Nova Scotia, lighthouse and fog alarm. The order in council was passed October 26, 1934, contractor Stanley Millar, and the amount is $4,695. We have paid $3,212.20 for engines and $187.80 for inspection, the total being $8,095, while the estimate of the department was $13,500.

Mr. POWER: What is the number of the order in council?

Mr. DURANLEAU: I will give it in a minute. In connection with the Louisburg fog alarm repairs, the work was done by day labour by the department, the amount being $2,000. Next is the Baccaro, Nova Scotia, light erection. The work was done by Shelburne Woodworkers Limited for $1,850.

Mr. VENIOT: Public tender or private invitation?

Mr. DURANLEAU: In all the expenditures were $2,008; the estimate was $4,000.

Mr. VENIOT: Public tenders or private invitation?

Mr. DURANLEAU: No.

Some hon. MEMBERS: Oh, oh.

Mr. DURANLEAU: I will tell my hon. friend immediately—

Mr. VENIOT: I asked the minister whether it was by public tender or by private invitation and his answer was, "no." What does the "no" apply to? Does it apply to public tenders or private invitation?

Mr. DURANLEAU: I have not the details here.

Mr. VENIOT: Why did the minister answer "no" when he says he has not the details?

Mr. POULIOT: He did not mean "I know."

Mr. DURANLEAU: As a rule, tenders were invited from a great number of contractors, reliable local contractors, except in connection with special works, in order to safeguard the public interest.

Mr. VENIOT: Will the minister please give the names of those to whom invitations were addressed to tender—invitations to the wedding of the minister and the new system of doing public works.

Mr. DURANLEAU: As I have told the committee with regard to this item of $1,850, I have not the details.

Mr. VENIOT: You should have.

Mr. DURANLEAU: I have not the details as to those from whom tenders were asked.

Mr. POWER: Is there an order in council? Will the minister mention the order in council in every instance where there is one?

Mr. DURANLEAU: There is no order in council as a rule for contracts under $5,000.

Mr. VENIOT: Will the minister produce the names at some future time if he has not the details now?

Mr. DURANLEAU: The names of the contractors, the tenderers?

Mr. VENIOT: The persons invited to tender.

Mr. DURANLEAU: In this particular case?

Mr. VENIOT: In every case.

Mr. DURANLEAU: I shall be pleased to inquire and let my hon. friend know.

Mr. POULIOT: I rise to a question of privilege. There are a number of members here listening to the explanations given by the minister. My question of privilege is this: I regret very much that this hon. gentleman, like several of his colleagues, comes here without the information we want, and we have to swallow all the ministers give us without being able to secure the proper information. As a member of parliament representing not only my own constituency but Canada at large, as every one of us does, I strongly protest against that method of procedure adopted this year by several ministers. In order to save the time of the committee, I shall not name them all now, but I cannot do otherwise than protest. I regret very much that ministers of the crown come here with their deputies and other departmental officers and are unable to answer the questions put to them by members of the house. We hear complaints about the tremendous amount of work which the ministers have to do, but this is because they do not do the proper work at the proper time. They complain and they cry like babies: "We cannot do all that; we work day and night." Why do they have to work day and night? They are like students who do not work during the whole year and who put their heads under the water tap on the eve of the examinations in order to keep awake while studying. This is the way the

ministers do. The senior member for Ottawa suggests: "C'est dur en l'eau"—It is hard in the water. I hope the minister will not persist any more in his present course. We will wait until he has proper information to give us. The act comes under five departments; it is a five-headed monster. There should be one head to control every expenditure, but it is controlled by five heads. Is this because the contracts are to be awarded by ten hands? This is a shame. I regret the Prime Minister is not present, because he would tell the Minister of Marine just as he would have told the other ones: How dare you come to the house without proper information? Further, I regret that the acting Prime Minister is not present, because he would say to the Minister of Marine: How dare you! I will not say to the Minister of Marine, because as he knows I have a high regard for him—and it is on that account I speak to him in this way—what I would say under similar circumstances to one of his colleagues, but no minister, either English or French speaking, should come before this parliament and exhibit such ignorance of his own department. I am sorry for the minister. He must realize that what I am saying is true. He must know that in order to give information to the representatives of the people of this country, he must first inform himself. On a matter of privilege I strongly protest against the way in which the Minister of Marine has proceeded so far, and I hope no minister will dare to submit any expenditure to the house unless and until he is fully prepared to answer any questions in regard to the matter.

Mr. DURANLEAU: I thank the hon. member for Témiscouata (Mr. Pouliot) for his kind words towards me. I notice that he has a great regard for the Minister of Marine. But I think he has made a fuss about very little; it is about an expenditure of $1,800 when the estimate was $4,000. However I have before me all the orders in council for all the works I am now submitting to the committee, and if my hon. friend will allow me to give the list of those works, he will see that his remarks were wholly unjustified.

Mr. POULIOT: I rise to a question of privilege. I protest against the word "fuss" used by the minister. May I explain my point? The amount is not in question; it might be $10,000. I am objecting as a matter of principle. The minister must understand that it is most important to give the information asked for by hon. members. I shall not press the matter further, but if the minister speaks so lightly of the very serious objections which have come from this side of the house, it will be necessary to point this out to the chair so that the minister may be called to order.

Mr. DURANLEAU: With regard to Sandy Beach, Quebec, this is for repairs to the pier, steel sheet piling protection. The contract was awarded to Ludger Lemieux Limited by order in council of January 14, 1935.

Mr. POWER: The number?

Mr. DURANLEAU: Number 87.

Mr. POWER: Has it been produced?

Mr. DURANLEAU: It must have been produced, because, as I have already told the committee, all orders in council passed under general items for special works have been tabled.

Mr. POWER: I should like to know when.

Mr. DURANLEAU: I will ascertain. I am quite sure that it was tabled some time ago. The amount is $5,950. As regards Caron Point, Quebec, a light done by day labour under our agency, the estimate was $3,500 and the work was done by the department for $1,625.

Mr. DUFF: May I ask why there is such a disparity between the estimate made by the minister's officials and the amount spent on the work?

Mr. DURANLEAU: It is proof that the officials have done the work very economically.

Mr. DUFF: No, that is not the answer. The minister stated that his officials made a certain estimate. For instance in that item of $1,800 the estimate was $4,000. In respect to the item the minister last mentioned, if I understand him aright, $3,500 was estimated and only $1,600 was spent. Surely there must be something wrong with the estimates of the officials when there is such a disparity. Will the minister explain why there is that great difference?

Mr. DURANLEAU: I did not ask that information of the officials. If the work had cost a great deal more than the estimate we would have been justified in asking the men in charge of the work why the cost was so high. In this instance it was so low that we were satisfied. Probably the man in charge found that he could do the work cheaper than the estimate and succeeded in doing so.

Mr. DUFF: A pretty poor excuse.

Mr. GOBEIL: You have to have something to growl about.

Mr. DURANLEAU: There is another item, Carmanash Point, B.C., repairs to buildings, done by day labour, $807. The estimate was $1,300.

Pachena, B.C., lighthouse dwelling. Estimate, $8,000. The contract was awarded by order in council 2101 of September 1, 1934, to A. W. McMillan for $7,724.

Mr. NEILL: Is the work completed?

Mr. DURANLEAU: No; we have spent to date $5,422.

Prince Rupert, B.C., repairs to building and gas buoy. Estimate, $1,500; done by day labour for $1,447.75.

26. Charlottetown, P.E.I., marine wharf. Estimate, $20,000. There were two orders in council, No. 1566 of July 19, 1934, and No. 3041 of November 30, 1934. The total expense was $22,150 by day labour.

28. Chicoutimi, Que., water system, roads, et cetera. Order in council 2228 of September 21, 1934. Contract awarded to Jean Angers, general contractor, Chicoutimi, for $130,082.06. The estimate was $153,500.

61. Halifax, (Camperdown) N.S., operating house for radio direction finding station. Order in council 2524 of October 26, 1934. Contract awarded to George A. de Young, $12,545. Estimate $12,000.

62. Halifax, N.S., pier "B", fire prevention and cargo handling equipment. This work has not been undertaken yet.

63. Halifax, N.S., quay walls, ocean terminals, order in council 2975 of November 27, 1934. Contract awarded to Western Waterproofing Company, $8,724.10. Estimate, $12,000. There was also $1,150 allowed to the harbour commission of Halifax for engineering services. The total amount did not exceed $10,000.

Mr. DUFF: What kind of work was done for that amount? "Quay wall"—locked it up, do you mean?

Mr. POULIOT: Key West, Florida—and Mae West.

Mr. DURANLEAU: The work done was reinforcing and protecting the face of the quay walls of ocean terminals.

Mr. DUFF: It would not go very far.

Mr. DURANLEAU: Item 64:

Halifax, N.S.—
Bulkhead and pier, site for fish processing plants re cold storage plant. Estimate, $286,000.
Contract awarded to T. C. Gorman (Nova Scotia), Limited, by order in council January 31, 1935.

Mr. DUFF: Was that called for by public tender?

Mr. DURANLEAU: It is order in council No. 26.

Mr. DUFF: Was it called for by public tender?

Mr. POULIOT: Is this firsthand information, or just hearsay evidence?

Mr. DURANLEAU: Tenders were asked from T. C. Gorman Nova Scotia Limited; The Foundation Company of Canada Limited; Kilmer, Gibson and Van Nostrand, Limited; the McDonald Construction Company, Halifax; the Dufresne Construction Company, Limited, Montreal and J. P. Porter and Sons, Limited.

Mr. POULIOT: Victor Drury is president of The Foundation Company, is he not?

Mr. DURANLEAU: I do not think so. I would not be positive, but I do not think Mr. Drury is president of that company. I think Mr. Chadwick, an outstanding engineer, is president of that company.

Mr. POULIOT: He is the smoke screen.

Mr. DURANLEAU: Then we come to item 68 of the schedule:

Halifax, N.S.—
Reconstruction of wooden conveyer galleries, berths 25 and 26 in steel, by order in council January 14, 1935.
Works to be under the direction of J. S. Metcalfe & Company, Limited, who are employed as architects and engineers of the works.

Mr. POWER: What is the number?

Mr. DURANLEAU: No. 3179.

Mr. POWER: It could not be that number in January; the number is too large. Is it January, 1934?

Mr. DURANLEAU: No, January, 1935. But I believe there must be an error so far as the number of the order in council is concerned. I have only a copy, and it is not very clear. However I shall ascertain the fact and give the correct information.

Mr. ILSLEY: What is the estimated amount of the expenditure?

Mr. DURANLEAU: The estimated amount was $360,000. These works are not yet completed.

Mr. ILSLEY: Are they being done by contract?

Mr. DURANLEAU: No, this was a special work, and the harbour commissioners—

Mr. MACKENZIE (Vancouver): So say all of us.

Mr. DURANLEAU: —made the report that they wanted to put those works under experts.

Mr. CASGRAIN: Expert Conservatives.

Mr. DURANLEAU: As a matter of fact there are only one or two firms in Canada which build grain elevators.

Mr. MACKENZIE (Vancouver): What is the other firm?

Mr. DURANLEAU: J. S. Metcalfe and Company, Limited, is known to be probably the best firm for drafting, planning and supervising works of that kind.

Mr. MACKENZIE (Vancouver): Second best.

Mr. DURANLEAU: I do not think any hon. member in this committee will contradict that statement. The harbour commissioners of Halifax also thought the best thing to do was to put those works under J. S. Metcalfe and Company at cost plus; for that firm had designed and supervised the work for the original galleries at Halifax.

Mr. CAMPBELL: Is that at a rate of ten per cent?

Mr. DURANLEAU: As hon. members know, this company has built elevators throughout Canada. The hon. member for Vancouver Centre must know about Metcalfe and Company, and must know that they have built grain elevators in Vancouver, Fort William and Montreal. Almost all the grain elevators in the city of Montreal were built by that firm, and I think the best thing we could have done under the circumstances was to have the work done at cost plus a percentage.

Mr. CAMPBELL: What is the percentage?

Mr. DURANLEAU: I think the percentage for the plans, specifications, supervision, and so on, was ten per cent.

Mr. MACKENZIE (Vancouver): What is the "and so on?"

Mr. POULIOT: If the minister would permit me to say so, one fact strikes me in this performance, namely that up to the present the minister has refused to recommend to the Prime Minister the appointment of a deputy minister of marine. To-night he uses the services of the Deputy Minister of Public Works, a man who has to serve five ministers. It is a most absurd circumstance when we find that in order to effect a certain economy the minister does not make provision for a deputy in his department. He has an acting deputy. Now the Minister of Public Works has to lend his deputy to the Minister of Marine so that the Minister of Marine may be informed regarding the matter in hand. It is an absurd situation.

Mr. SPENCE: Oh, not so bad as all that.

Mr. POULIOT: It must be very bad to be understood by the hon. member with the blue glasses. Mention has been made in this chamber that the Minister of Marine should have a deputy who would have the time to get information about what is going on in his department. The minister has no deputy. He seems to refuse to get information about his own department, and now he comes to the house with an empty portfolio and has to crave information from the Deputy Minister of Public Works. It is an absurd state of affairs and I must strongly protest against it. May I suggest that the Minister of Marine should wait until he has obtained a deputy before presenting his estimates to the house.

He has assisting him to-night the Deputy Minister of Public Works, a man for whom I have great consideration, a man who has to serve five ministers. He has to instruct five ministers regarding the construction programs in their departments. There are five so-called heads who do nothing, and one other head who does everything. No minister seems to know anything about what is going on in connection with the construction programs in the departments of Marine, Public Works, National Defence, and so on. They know nothing; the deputy head of the Department of Public Works is responsible not only to his own minister but to four others as well for this work. As my hon. friend from Quebec South says, he is just as good as Doctor Dafoe was with the Dionne quintuplets, but something resulted in the case of the Dionne quintuplets while nothing results in the case of these ministers. Since this sitting began the minister has been standing up with his mouth closed for twice as long as he has had it open, when he was supposed to be giving us answers. This is most extraordinary, and the minister reads papers just as they would be read by a child going to school learning his A.B.C.'s in a book.

Some hon. MEMBERS: Hear, hear.

Mr. POULIOT: And some of his supporters are proud of his success. This is a very sad thing. I hope the minister will wait until he is better acquainted with his department before proceeding further. I hope he will understand the matter himself before he at-

tempts to go further. This shows the absurdity of this scheme. The government undertook too much. If five ministers of the crown are unable to familiarize themselves with the construction program—

Mr. QUINN: Send for you.

Mr. POULIOT: Well, I will not say anything to my hon. friend if he is happy. These five ministers should familiarize themselves with the affairs of their own departments. Why is the minister so much embarrassed? At sea he is a great admiral; on land he is not so good, particularly with regard to the construction program. He should stay on the open sea and look after the boats; he should undertake no work on land unless the boats are in dry dock. When he attempts to deal with the construction program he is at a loss. I say that program should come under the Minister of Public Works. The Minister of Marine has shown to-night that it is utterly impossible for him to become acquainted with all these matters which should come under another department. He is not himself when he attempts to deal with this question. Let him step aside and leave the responsibility for the construction program to his colleague the Minister of Public Works; let the Minister of National Defence and the others do the same. The hon. gentlemen ought to mind their own business and look after their own departments. Let them be competent in their own affairs, and the country will be the better off.

Mr. DURANLEAU: The next item is with regard to Halifax, Nova Scotia, the extension of pier No. 9 northward for a coal berth, and so forth.

Some hon. MEMBERS: What does "and so forth" mean?

Mr. POULIOT: You see what I told you, Mr. Chairman; the minister is unable to go on.

Mr. DURANLEAU: The work comprised the extension of present pier No. 9 northward for a coal berth or for use as an industrial site. Tenders were asked from different firms, including J. P. Porter and Sons Limited, the McDonald Construction Company Limited, the Northern Construction Company, and J. W. Stewart, Limited, J. C. Gorman, Limited and Foundation Maritime, Limited. The contract was let to J. P. Porter and Sons by order in council dated January 14, 1935, No. 3223.

Mr. POWER: That was last year, was it not? May I ask how it happens that this order in council passed January 14, 1935, is No. 3223 while another order in council passed on the same date is No. 87?

Mr. DURANLEAU: I cannot say. This does not come under my department; it is up to the clerk of the privy council.

Mr. POWER: May I ask the minister if it could be that number for the month of January?

Mr. DURANLEAU: It appears to be that number. I have a copy here, signed by E. J. Lemaire, clerk of the privy council, and the number is 3223.

Mr. POWER: That would mean something like 200 orders in council per day if they were numbered consecutively, but another one passed on the same day is No. 87.

Mr. DURANLEAU: It may be that the order in council was prepared during 1934 and retained its old number; I cannot say. That is the number that appears on the order in council.

Mr. POWER: I direct the minister's attention to the fact that this order in council has not been tabled as yet, and that only five of the others have been tabled.

Mr. DURANLEAU: Then comes schedule No. 87, estimated cost $12,000, repairing piers and renewal of ice protection work; cribwork, pier, and concrete superstructure for lighthouse. The contract was awarded to the Laval Construction Company Limited on October 3, 1934. This was the lowest tender, at $12,800.

Mr. POWER: Number?

Mr. DURANLEAU: It is No. 2377. These works are under process; they were not completed last fall and will be continued this spring. The next item, 104, is for the repaving of certain surfaces in the harbour, done by the Montreal harbour commissioners under the act, by day labour, for $534,000. This work is not completed; part of it was done last fall and it will be continued next spring. Then schedule No. 105, Montreal, reconstruction of eleven raceways at Windmill Point pier. The contract was awarded to the lowest tenderer by order in council number 2908, dated November 27, 1934. The price was $165,918. These works have not been completed.

The next is number 106, Montreal, covering protection works against sifting or filling

of the material supporting grain elevator number 3 between Laurier and Tarte piers. The estimate was $378,000 and the contract was awarded to Angus Robertson Limited, the lowest tenderer, for $254,450. This was covered by order in council No. 1914, dated August 30, 1934.

The next is number 107, Montreal, railway track embankments between Imperial Oil Company and Marien street, Montreal east. The estimate in this case was $75,000 and the contract was awarded to H. J. O'Connell Limited, the price being $58,400. They were the lowest tenderer and contract was awarded by order in council 2826, dated November 8, 1934. These works were not completed last fall.

The next is number 108, Montreal, raising the fronting wharf of sections 38, 39 and 40 of the harbour. The cement work was awarded to E. G. M. Cape at a price of $27,377 and the filling work was awarded to H. J. O'Connell Limited at a price of $46,400. With the engineering fees the total amount involved is $84,187, and the works have been partly completed.

Mr. POWER: What are the dates and numbers of the orders in council?

Mr. DURANLEAU: Order in council number 2827, dated November 8, 1934.

Mr. POWER: What is the other one? There were two contracts.

Mr. DURANLEAU: Both contracts were covered by the same order in council.

Mr. CAMPBELL: What was the engineering fee?

Mr. DURANLEAU: The Montreal harbour commission was allowed $3,300 for engineering.

The next is 109, painting the steel structure of harbour bridge. The estimate in this case was $60,000. The paint was purchased by the harbour commission and a contract awarded for the labour. This was covered by order in council No. 1934, dated August 24.

Mr. CASGRAIN: Who got the contract for the work?

Mr. DURANLEAU: The contract was awarded to F. J. Leduc & Company, at a price of $49,500.

Mr. POULIOT: Were tenders called for?

Mr. DURANLEAU: Tenders were called for from a certain number of firms.

Mr. CASGRAIN: Were they public or private tenders?

[Mr. Duranleau.]

Mr. DURANLEAU: It was not by public advertising but a selection was made of a certain number of reliable firms.

Mr. MERCIER (St. Henri): Who is doing business under the name of F. J. Leduc & Company?

Mr. DURANLEAU: I am not sure. This company complied with all requirements and filed the necessary deposit. The engineers of the harbour commission report that the work done was first class.

Mr. MERCIER (St. Henri): Has this company ever carried out any other contracts for painting?

Mr. DURANLEAU: Mr. F. J. Leduc is an outstanding engineer in Montreal and he has done similar work before. This was very dangerous work as the men had to work three hundred feet above the water.

Mr. MERCIER (St. Henri): Has the work been completed?.

Mr. DURANLEAU: This contract was for only one coat and it is completed.

Mr. MERCIER (St. Henri): How much was spent for the first coat?

Mr. POWER: That fellow is going to be a turncoat after the elections.

Mr. DURANLEAU: The amount spent was $85,672.

Mr. MERCIER (St. Henri): For the first coat?

Mr. DURANLEAU: For the first coat.

Mr. MERCIER (St. Henri): And the contract was for $49,000.

Mr. DURANLEAU: The contract for the labour was for $49,500. The harbour commissioners, for the department, supplied the materials.

Mr. POULIOT: Who sold the paint?

Mr. DURANLEAU: Is my hon. friend interested in knowing that?

Mr. POULIOT: Surely;

An hon. MEMBER: Who sold the brush?

Mr. DURANLEAU: The order in council is dated August 18, 1934, No. 1869.

Mr. POWER: Is that just for the paint?

Mr. DURANLEAU: The firms are: International Paints of Canada Limited; Canada Paint Company Limited; Thorpe-Hambrock Company Limited.

Mr. POULIOT: What is the amount in each instance?

Mr. DURANLEAU: As to the labour, tenders were asked from Southern Working Company Limited; Federated Construction Company Limited; F. J. Leduc and Associates; Nicole Gentile; L. Knight; R. F. Walsh & Company Limited; James Pitcher and C. J. Pott Company Limited.

Mr. POULIOT: Who made that selection?

Mr. DURANLEAU: The harbour commissioners were entrusted with the works under the act.

Mr. POULIOT: But were they told by the Minister of Marine not to ask for tenders by public notice?

Mr. DURANLEAU: They were told to give the names of reliable firms who could do the job. It was a very difficult job and we wanted tenders from reliable firms in Montreal in order to obtain the lowest price possible so to safeguard the public interest.

Mr. POULIOT: Were these names submitted to the minister before tenders were called for, or were they sent by the minister to the harbour commissioners of Montreal before tenders were called for?

Mr. DURANLEAU: I am quite sure that the names of these firms were not sent by the harbour commissioners to the minister. It may be that the commissioners consulted the minister before asking for tenders, but I am sure that the minister did not send any names to the commissioners. I think my hon. friend will admit that the number of firms is large enough to safeguard the public interest and to ensure proper competition.

Mr. POULIOT: You see how it goes, Mr. Chairman. There is a small circle of friends and everything is done in the ring. It is a close corporation; they have their pets. The minister has his pets and he sees to it that they are favoured to the exclusion of others when tenders are to be called for. This is no tender. The minister cannot tell the committee that there is no other arrangement between the men he has already mentioned in order to defraud the exchequer of this country. I am always afraid of what is done behind closed doors. When tenders are to be called for they should be called for in the regular way—open to all, with public notice. Everyone will agree with me on that. Why were a few favoured in this instance with regard to labour? And I would ask the same question with regard to the paint. How is it that just a handful of men or a handful of corporations can secure contracts behind closed doors? The Minister of Marine was playing on words when he said, "I will not say I sent names to them"; but on the other hand he was frank enough—and I congratulate him on this—to admit that very probably a conversation took place between himself and the commissioners of Montreal before such tenders were called for and before the contracts were awarded. That is all I have to say about it except one thing. I will ask this question of the minister: Who are the members of the firm of Leduc and Company? Is it a limited company or a partnership?

Mr. DURANLEAU: I do not think that F. J. Leduc and associates are an incorporated company, but Mr. F. J. Leduc is an outstanding engineer of Montreal, a consulting engineer for many companies, and he has been also a large contractor. The public interest was safeguarded with that name alone, F. J. Leduc, civil engineer, and the way the work was done is proof that he was absolutely competent to do it.

Mr. POULIOT: The competent men who did this work were the Caughnawaga Indians, not F. J. Leduc. They did the painting and received payment from Leduc. Leduc is a former employee of the city hall, Montreal. He is a civil engineer but he has not the least experience as a contractor. His name is there to make a show. May I ask the minister whether Leduc's name is a sort of blanket? Does the minister not know other partners in the organization of F. J. Leduc & Company?

Mr. DURANLEAU: I do not remember the names. I remember that he had two or three foremen who were experts in the matter, but I do not remember the names. We do know however that he had the best men on the job, and I want to say to my hon. friend that he is entirely mistaken when he says that only Indians worked on the job—entirely mistaken. A small number of Indians were employed; that is quite true. The Indians have the right to be employed as any other citizens of this country have, and they were practically the only ones who wanted to climb to the top of the bridge, nearly four hundred feet from the level of the water. I want to pay that tribute to the Indians of Caughnawaga.

Mr. POULIOT: I do not blame them; I say that they are very good. But what the minister has said about the name of the Leduc firm reminds me of the delightful operetta, the Merry Widow:

> Lo-lo, Do-do, Jou-jou,
> Clo-clo, Mar-got, Flou-flou!
> The name it does not matter,
> I take the first to hand!

In this case the difference between the minister and the composer of that delightful operetta is that in the Merry Widow the name did not matter and in the contract the name mattered very much; that is the difference between the Minister of Marine and that great Viennese composer. But we will not press the matter any further. Everything is behind not only closed doors but also the open blanket. May I ask one question of the hon. gentleman? He read us a list of names of people who received tenders. Did they receive tenders with regard to the labour only? I refer to the $49,500 contract.

Mr. DURANLEAU: Tenders were asked only for labour.

Mr. POULIOT: How is it then that the hon. gentleman has read a list of paint companies, companies that sell paint? He read us an order in council with numerous firms that sell paint.

Mr. DURANLEAU: I did not understand my hon. friend; I thought he was referring to the list of contractors that I have just given to the committee. According to the order in council quotations were asked from different paint suppliers. The order reads:

The committee of the privy council have had before them a report, dated 14th August, 1934, from the Minister of Marine stating that with respect to item 109 of the schedule of the Public Works Construction Act, 1934, that tenders based on specifications prepared by the chief engineer of the Montreal harbour commission to the satisfaction of the department were invited from the following firms who submitted quotations in accordance with the conditions laid down, as indicated below and in the attached schedule.

I gave the names of the different paint companies who supplied the paint. As a rule we ask for quotations and when we have the lowest price, then if the other firms are willing to supply paint at that price, in order to encourage all those paint factories we divide up the order at the lowest price.

Mr. BOUCHARD: When the minister says "different companies," I suppose he means companies that are not indifferent to his government.

Mr. DURANLEAU: I think all the paint manufacturers have no political colour, and I would say as a rule they have supported the Liberal administration and they were encouraged by that administration. As to the names of all those from whom tenders were asked for the labour, I think my hon. friends will admit that many of them are well known Liberals.

Mr. CASGRAIN: There are some Conservatives also who are directors of those companies.

Mr. DURANLEAU: I suppose my hon. friend would not ask this government to request prices only from Liberals.

Mr. CASGRAIN: No, but let him give a chance to all.

Mr. DURANLEAU: My hon. friend should go to Quebec and ask how Mr. Taschereau deals with public works.

Mr. CASGRAIN: We do not have to go to Quebec. We are discussing federal public works.

Mr. DURANLEAU: I know my hon. friend does not like to discuss Quebec matters; but in fairness to all the firms doing business in Canada, others than those that are encouraged by the Liberal administration of Quebec should receive some encouragement from this government.

Mr. POULIOT: The hon. member read three words which impressed me very much. They are as follows: "as indicated below." I would like to know what the indication below was.

Mr. DURANLEAU: I gave the names a minute ago.

Mr. POULIOT: Just a moment, please. What was the amount of the tender sent to the harbour commissioners of Montreal by each one of the firms of which the minister has given the names?

Mr. DURANLEAU: The hon. member means for the supply of paint, of materials?

Mr. POULIOT: Yes.

Mr. DURANLEAU: Quotations were asked from the International Paints, Limited, a well known and a first class manufacturer of paint; the Canada Paint Company Limited, and I think my hon. friend will admit that that firm has no particular colour and is a first class firm.

Mr. POULIOT: I do not know; I am open minded in regard to the matter.

Mr. DURANLEAU: Also the Thorp Hamrock Company Limited. Those are the three firms. Does my hon. friend want the price paid?

Mr. POULIOT: No, the tenders. The figure I want is the tender sent by each one

of those firms. Were tenders asked of those firms and what was the answer of each one of them, so that we may know what price was submitted to the harbour commissioners or to the Department of Marine for paint?

Mr. DURANLEAU: I cannot answer my hon. friend this evening on that particular point, because I have not the records before me. I would have to bring down a pile of records in order to give all the information asked for by my hon. friend, but if he insists on having the quotations, I shall be pleased to supply them to him either by letter or otherwise.

Mr. POULIOT: I do not ask the minister to come to the house with a covered wagon to transport all the files he has in his department. When there is a contract for paint of such importance as to amount to $86,000, we are entitled to know to whom tenders have been sent and what answers have been received by the harbour commissioners or the government. I am speaking now not to waste money but to save it, and it is in order to save money that I regret very much no public notices were given of those tenders. For instance, there are very important hardware merchants in Montreal such as Raymond Hardware, Durand, Larivière, Deserre. They are good firms. The question is not whether there are some Liberals and Conservatives in partnership in any firm. What interests us and the only rule with regard to awarding contracts—

Mr. DURANLEAU: These materials are bought from the manufacturer, not from dealers.

Mr. POULIOT: That is a very good answer. It was worth while fighting for such a long time to get that answer from the minister. The minister did very well if he bought from the manufacturers. That is what he meant, that he bought from the manufacturers themselves and not from an agent? He bought from the head office? That is fine. I do not blame him for that. But now that I have that information may I ask from whom tenders were received for labour and what was the quotation by each one of those firms to the minister or to the harbour commission?

Mr. MERCIER (St. Henri): When was the order in coucil pased for buying the paint, and what was the number?

Mr. DURANLEAU: No. 1869 passed on August 18, 1934.

Mr. MERCIER (St. Henri): And for the work?

Mr. DURANLEAU: The same order in council.

Mr. MERCIER (St. Henri): When does the department contemplate giving the second coat of paint to the bridge?

Mr. DURANLEAU: We expect to give it during this season.

Mr. MERCIER (St. Henri): Is there another order in council for that?

Mr. DURANLEAU: I am not sure. I may state that the tender of almost all the tenderers had a price for the second coat, but Leduc & Company were the lowest of the reliable firms, those who complied with the conditions, even for the second coat.

Mr. MERCIER (St. Henri): What wages were paid by that firm to the painters?

Mr. DURANLEAU: There was a special schedule from the Labour department which was followed by the contractors.

Mr. MERCIER (St. Henri): That is very general. What I want to know is how much was paid per hour to those men for painting the bridge?

Mr. DURANLEAU: I did not ask any report from the contractors as to the wages paid, but the report was that they complied with the schedule of wages set by the Labour department.

Mr. CASGRAIN: Who made that report?

Mr. DURANLEAU: It was a verbal report made by the harbour commissioners—by the engineer. If there was any complaint made against that firm as to the wages paid I should be very pleased to inquire, but I never heard any complaint about that.

Mr. MERCIER (St. Henri): We have no grievance. What was the salary paid to those men?

Mr. DURANLEAU: I can supply a list to my hon. friend if he wants it.

Mr. POULIOT: Will the minister tell us the amount of each tender besides that of Leduc, with the name of the firm?

Mr. DURANLEAU: I told my hon. friend that I have not those records with me. If my hon. friend wants to get that I shall be pleased to supply it.

Mr. POULIOT: I thank the minister. Usually when he speaks that way one can rely on him to give the information. I hope

I shall get it soon. Is it not a fact that the Leduc tender was not the lowest, and that it was accepted after the company reduced its tender below the lowest?

Mr. DURANLEAU: My hon. friend is mistaken as to that. I think there was another firm that tendered—not a firm, an individual who tendered at a lower price than $49,500 but that individual did not comply with the requirements, no deposit was made as security, and the report of the harbour commissioners was that his financial standing did not warrant their awarding the contract to him, and especially for another reason; as I told this committee, the work was really very dangerous and the tender was a great deal lower than the estimate. If that man had done the work at the price of his tender he would have lost about $15,000 to $20,000. His financial standing was not satisfactory and he did not deposit any security. It was stipulated that the tender was to be accompanied by a cheque for at least ten or fifteen per cent of the amount of the tender. The amount of Leduc's tender was $49,500. I know there was another firm that tendered at $49,900 and I think another firm for $55,000 or $58,000 and a couple of other firms had higher tenders. I say that subject to correction.

Mr. POULIOT: Is it not true that the lowest tenderer did not send a cheque, as is the rule, after he learned that he had no chance whatever to compete with Leduc & Company? The reason he did not send a cheque to the harbour commission was that he was notified that it was impossible for him to secure a contract when the Leduc company had made a bid.

Mr. CASGRAIN: Who informed him?

Mr. DURANLEAU: I think my hon. friend is badly informed.

An hon. MEMBER: Drawing on his imagination.

Mr. DURANLEAU: No, I would not say he is drawing on his imagination, but I would say he has received some information and wants to get more. I think he has been wrongly advised, because at the price stated in the tender of that individual I do not think he dared send a cheque. If I am rightly informed, Leduc & Company did not make any money. I think a list of the wages paid would show that they made practically no money; it was all paid in wages. It took over two months for the work, two or three hundred men at high wages.

[Mr. Pouliot.]

Mr. POULIOT: Well, there is not so much imagination in that as the minister thinks.

Mr. DURANLEAU: No, I did not say that; someone on this side suggested it was my hon. friend's imagination. I said no; I said that my hon. friend has some information but he is wrongly informed.

Mr. POULIOT: I am glad to receive that tribute from the minister. I appreciate it very highly. My information is first hand information. What I knew was that a tender had been sent to the harbour commission about $10,000 or $15,000 less than the amount paid to Leduc & Company, and the only justification for the stand of the minister in the matter is to say that the lowest bidder would have lost money. That man was making a bid one-third less than that of Leduc, and in order to favour Leduc the Department of Marine and the harbour commission awarded the contract to them, paying $15,000 more than it was worth. When the minister says it is very difficult work he forgets that the work was not done by Leduc, it was done by the Indians of Caughnawaga. If the man who made the lowest bid had secured the contract he would have employed exactly the same men, but it would have meant a saving of $15,000 to the Canadian exchequer. It is the same as that stovepipe letter box of Amédée Lesieur, which was worth 75 cents and the Post Office Department paid an average of $2.75 each, buying ten thousand of them, meaning a loss of $20,000 to the Canadian exchequer. I regret that such a practice flourishes in the harbour of Montreal and I hope we will not see anything further in the estimates voted for the current year. I hope no money is voted in the future to give any contractors an opportunity to make excessive amounts of money at the expense of the Canadian taxpayers.

I have the admission from the Minister of Marine that because one tenderer filed the lowest tender he was refused. Why? Because there was a pet who was asking for a chance. That man got $15,000 more than the contract was worth. It is just favoritism, and favoritism of the worst shape and description, and a waste of the people's money. How many pounds of sugar would have to be taxed in order to pay that favorite contractor his $15,000 more than the work was worth. I regret it.

Mr. MACDOUGALL: Carried.

Mr. POULIOT: I will ask my hon. friend to keep quiet. If he tells his electors that

during the time we were complaining of such futile, ridiculous and wasteful expenditures he was laughing and making jocular remarks, he will be sorry for it. I can imagine I see the electors of Inverness waiting for the mail in order to receive Hansard and to read what their member is doing in the House of Commons. I can see those good old fishermen of Inverness, those dear old sturdy people with their good wives and their children waiting for Hansard to see what their member of parliament has been saying in the House of Commons. With tears in their eyes they will say, "Is that our Isaac? We don't recognize our Isaac any more. We can't believe with our eyes that this is the man who was elected on the promise to defend the rights of the fishermen and the good people of Inverness, because he is making such silly jokes in the House of Commons."

Mr. MACDOUGALL: All I wish is that you would come down and campaign against me. In that event I would surely be elected, because our people are intelligent.

Mr. POULIOT: It is all right for the hon. member to speak in that way, but it is just because his electors are intelligent that they will not care for him at the next election. But to conclude my observations may I say that at last we have learned through the mouth of the Minister of Marine that one tender was $15,000 less than the contract price. If the minister had seen to it that the contract had been awarded to the lowest tenderer that much money would have been saved to the country. The minister states the lowest tenderer was not solvent. He knows very well, however that any contractor who would hold a contract from the federal government could go to any bank and get any amount of money. Moreover the contracts are paid in instalments, and for that reason I say the argument of the minister cannot stand. I regret it for him; I regret it for the exchequer of the country; I regret it for the man who would have made a decent profit and at the same time saved money for the Canadian exchequer; I regret it for all of us, and hope it will not happen again.

Mr. DURANLEAU: No department or public body asking for tenders would consider for one moment a tender without any security. If a tenderer does not comply with the specifications prescribed, namely that the tender is to be accompanied by a certified cheque or by cash for a certain amount of money, to act as security, invariably the tender is set aside. I do not believe the hon. member is serious when he blames the Minister of Marine for having set aside that tender, when he was so directed by the harbour commissioners, the engineers of the Montreal harbour and his department. The specifications were not complied with; that was the main reason. As a supplementary reason I gave the fact that investigations showed the financial standing of the individual in question was not good. If the report of the harbour commissioners had been different and the price had been what was wanted, then we might have asked this gentleman to supply the necessary securities. However the price was over $15,000 lower than the estimate, and I must tell my hon. friend that according to the officials of my department and the harbour commissioners of Montreal $50,000 was a very low price to be paid for the labour of applying that coat of paint on the Jacques Cartier bridge. I would not be surprised if I were told that Leduc & Company have lost money in that enterprise.

Mr. POULIOT: They may have said so, but it is not true.

Mr. DURANLEAU: I have figured that in view of the number of men they had on the job and the length of time the work necessitated they must have lost money. However as they are outstanding engineers it is probable they will not tell. I am under the impression however that they have lost money on the job. Therefore I say that my hon. friend is unfair when he states that the man who tendered at $15,000 less would have made a reasonable profit. That man would have lost at least $15,000 to $20,000, and he could not afford to do it.

Mr. POULIOT: I leave it at that, sir.

Mr. POWER: Quebec?

Mr. DURANLEAU: Yes, we have now come to Quebec. The first item is No. 137:

Estimate, $463,000. New transit sheds, to replace old sheds Nos. 24 and 25 on pier No. 1. Contract awarded on November 8, 1934, to Delphé Maranda and Company, $354,754.92. Order in council 2824.

The works were started last fall, and I think they have been under process during the whole winter. They are still working at the construction of those sheds.

Mr. LAPOINTE: Have tenders been called only once, or twice?

Mr. DURANLEAU: I may be mistaken, but my recollection is that tenders were asked twice.

Mr. LAPOINTE: There must have been some reason for that, if my hon. friend recalls that tenders were asked twice. Would he say why that was done?

Mr. DURANLEAU: I am not sure that tenders were asked twice, but that is my impression. Probably the prices were too high in the first instance. I know that tenders were requested from Delphé Maranda; Roméo Vachon; Colonial Construction Company, Registered; Cummins Construction Company, Montebello; Joseph Nolin, Amédée Latulippe, Amédée Demers, Abel Ratté; Morton Engineering and Drydock Company, and the Frontenac Lumber Company. The contract was awarded to Delphé Maranda for $355,000.

Mr. LAPOINTE: Why were tenders asked from a firm in Montebello for a work in Quebec city?

Mr. DURANLEAU: I suppose that was a very important work and we wanted proper competition for it.

Mr. LAPOINTE: I am glad to hear my hon. friend say he wanted competition. When I first called attention to this matter on February 26, at page 1201 of Hansard, my hon. friend said tenders had been asked from a certain number of private firms, and I asked why public tenders had not been called. I quote from Hansard:

Mr. Duranleau: Because, as the house was told last session, these were relief works, and we thought it was better to have—
Mr. Neill: Relief for whom?
Mr. Duranleau: The government and my department thought it was more advisable to have the work done by local contractors so as to relieve unemployment in the locality.

My hon. friend is changing his policy now; he is asking for tenders from contractors in Montebello. That is not even in Montreal; it is between Montreal and Ottawa. I do not see how these Montebello people could be expected to do work in Quebec city, especially under the policy expressed by my hon. friends. I said:

Is it not a fact that only the friends of my hon. friends' party have been asked to tender?
Mr. Duranleau: My hon. friend from Quebec East is entirely wrong.

So I asked a question as to the names of the firms, and on March 6 the minister gave the list he has just read. I should be glad if he would indicate to me later which are the Liberal firms or who are the Liberals included in that list. On March 21 I wrote my hon. friend the following letter; it is in French, but I am going to read it in English:

Dear Mr. Duranleau,—
In answer to a question I asked you the other day you told the house that you had not asked for tenders for the works at the harbour of Quebec in order that local contractors might get the contracts and have the work done locally. Subsequently you gave a list indicating that tenders had been asked for from seven contractors.

As a matter of fact, there were ten.

In this list the main contracting firms of the city of Quebec are not included. I am sending to you the names of a certain number of contractors and construction firms, all of the city of Quebec, to whom I have no doubt you will send a request for tenders for the work to be done in the future. Here is the list:
Frs. Jobin, Inc.
C. Jobin, Ltée.
Arthur Frenette.
Emile Frenette.
La Cie Deslauriers, Ltée.
Magloire Cauchon, Ltée.
National Dock & Dredging Corp.
J. C. Peters, Reg.
T. E. Rousseau.
Paul A. Fackney.
F.-X. Lambert.
C. Emile Morisette, Ltée.
James Ruddick & Co.
Emile Côté, Enr.
La Construction Canadienne.
Mathieu & Sylvain.
Poudrier & Boulet.

These are the leading firms of the city of Quebec.

So far as the work of digging and dredging is concerned, we have in Quebec city only one local firm. It is the National Dock and Dredging Corporation.

Mr. DURANLEAU: Is that Louis Letourneau?

Mr. LAPOINTE: Yes, I believe he is a member of that firm.

If you adopt the policy you mentioned in the house it is this company that should have the contracts to be given for that kind of work.
Hoping that you will give this letter your best attention, I remain,
Yours sincerely,

The original letter, in French, was as follows:

Cher M. Duranleau,
En réponse à une question que je vous ai posée l'autre jour, vous m'avez dit à la Chambre que vous n'aviez pas demandé de soumissions pour les travaux au havre de Québec afin que ce soit des entrepreneurs locaux qui obtiennent le contrat et fassent faire les travaux. Subséquemment, j'ai eu une liste que vous avez déposée indiquant que des soumissions ont été demandées à sept entrepreneurs.
Sur cette liste, les principaux entrepreneurs de la cité de Québec ne sont pas inclus. Je

vous envoie les noms d'un certain nombre d'entrepreneurs et de compagnies de construction, tous de la cité de Québec, à qui, je n'en doute pas, vous enverrez des demandes de soumissions pour les travaux à venir. Voici cette liste:

Frs. Jobin, Inc.
C. Jobin, Ltée
Arthur Frenette
Emile Frenette
La Cie Deslauriers, Ltée
Magloire Cauchon, Ltée
National Dock & Dredging Corp.
J. C. Peters, Reg.
T. E. Rousseau
Paul A. Fackney
F.-X. Lambert
C. Emile Morissette, Ltée
James Ruddick & Co.
Emile Côté, Enr.
La Construction Canadienne
Mathieu & Sylvain
Poudrier & Boulet.

Quant aux travaux de creusage et de dragage, nous n'avons à Québec qu'une compagnie locale et c'est la National Dock & Dredging Corporation. Si vous adoptez la politique que vous avez indiquée à la Chambre, c'est cette compagnie qui devrait avoir les contrats à être octroyés pour ce genre de travaux.

Espérant que vous donnerez à cette lettre votre meilleure attention, je demeure,

Votre bien dévoué,

On March 29, 1935, I received a reply from the minister, which I wish to place on Hansard, so that the country may know the policy of my hon. friend. This letter also is in French, and I will give the English translation:

Dear Mr. Lapointe:

I have received your letter of the twenty-first March with regard to tenders called for the works in the harbour of Quebec, and I have taken notice of the list of contractors who have not been invited to tender, which you sent me.

Allow me to rectify a slight mistake in your letter. The list which I tabled in the house on the sixth March does not include only seven names of contractors, but ten.

I believe that all the responsible contractors are entitled to their share of encouragement with regard to public works, and by public works I mean those carried out by the provincial governments as well as those carried out by the federal government. As the provincial government of Quebec long ago adopted the practice of keeping its contracts for a certain class of contractors it is only fair that the contractors from Quebec who have been always neglected should receive a little encouragement on the part of the federal authority. Obviously there are cases in which we can appeal only to a restricted number of contractors who have been specializing in a class of work or who own the only necessary equipment.

I pray you to believe, at all events, that the list of contractors who have been invited to tender by the department which I lead will always be long enough to secure a sane competition and safeguard the public interest.

Yours truly,

Alfred Duranleau.

The original letter, in French, is as follows:

Cher monsieur Lapointe,

J'ai bien reçu votre lettre du 21 mars au sujet des soumissions demandées pour les travaux dans le port de Québec, et j'ai pris connaissance de la liste des entrepreneurs qui n'avaient pas été invités à soumissionner et que vous avez bien voulu me faire tenir. Permettez-moi, ici de rectifier une légère erreur qui s'est glissée dans votre lettre: la liste que j'ai déposée en Chambre, le 6 mars, ne renferme pas seulement sept noms d'entrepreneurs, mais dix.

Je crois que tous les entrepreneurs responsables ont droit à leur part d'encouragement lorsqu'il s'agit de travaux publics. Et par travaux publics, j'entends ceux qui sont exécutés par les gouvernements provinciaux tout comme ceux qui sont exécutés par le gouvernement fédéral.

Comme le gouvernement provincial de Québec a depuis longtemps adopté la pratique de réserver ses contrats à une seule catégorie d'entrepreneurs, il n'est que juste que les entrepreneurs québcois, qu'il a toujours négligés, reçoivent un peu d'encouragement de la part des autorités fédérales.

Il se présente évidemment des cas où l'on ne peut faire appel qu'à un nombre restreint d'entrepreneurs qui se sont spécialisés dans un genre de travaux ou qui seuls possèdent l'outillage nécessaire.

Je vous prie de croire, à tout événement, que la liste des entrepreneurs invités à soumissionner par le département dont j'ai la direction sera toujours assez longue pour assurer une saine concurrence et sauvegarder l'intérêt public.

Votre tout dévoué,

Alfred Duranleau.

L'honorable Ernest Lapointe,
Chambre des communes,
Ottawa.

I wish to place this correspondence on Hansard so that the house and the country may know that my hon. friend is limiting the public works, and the invitations to tender, to those friends of his whom he believes have been neglected by the government of Quebec. I am not here to pass judgment on the policy of the government of Quebec; I do not know what it is. I protest against the action of this government. My hon. friend is wrong when he states that similar things were done before; they were not to my knowledge. Two years ago a public building was to be constructed in my constituency and the lowest tenderer, who got the contract, was one of the Conservatives mentioned by my hon. friend as having been given an invitation to tender. This man did splendid work and his political leanings had nothing to do with his being given the contract.

This program of public works voted last year was for the purpose of relieving unemployment. We had a sort of inflation to provide the $40,000,000 required for this work. We were always told that there was to be no

politics in the carrying out of this program, and my hon. friend had no right to grant these contracts in the way he did. The general law is that tenders should be requested by public advertisement. It is quite true that in the Public Works Construction Act of last year reference is made to tenders being asked for before a contract is awarded by governor in council, but I claim that the general law should apply. The hon. member for West Middlesex (Mr. Elliott) criticized this matter last year and the Minister of Public Works (Mr. Stewart) made the following statement, to be found on page 4422 of Hansard:

> But although it is not provided that public tenders must be called for it does not follow that they will not be. The principle has not been abandoned. These works have to be carried out under the direction of the governor in council, and assigned to the particular department and the minister which may appear to be best equipped to carry them on. Already, in anticipation of the passing of this bill, a large number of advertisements have been published by the Public Works Department calling for tenders, and there is no reason to assume that the government is abandoning the well established and sound principle of inviting public tenders. I can assure my hon. friend that the government are as sensible of their responsibility in this matter as any member of the opposition can be.

I protest against the new system introduced by the Minister of Marine for the granting of such important contracts. He is doing away with the safeguard of calling for public tenders.

Mr. POWER: So far as any works to be carried out under his jurisdiction are concerned, does the minister intend to encourage only his own friends to tender? I am not criticizing the policy at the moment, I simply want to know what the minister intends to do.

Mr. SPENCE: What did you do?

Mr. CASGRAIN: When the Liberals were in power it was public tenders all the time.

Mr. DURANLEAU: An inquiry was made some time ago on this same matter and I said, no. I think this answer is confirmed by the list I have just given to the committee. I will state quite frankly that I was advised by the Solicitor General (Mr. Dupré) but I have been told that there are firms on this list known as Liberal firms.

Mr. POWER: Which ones?

Mr. DURANLEAU: I do not know them all but I will mention the Morton company.

Mr. POWER: Are they Liberals?

Mr. LAPOINTE: Who told you they were Liberals?

[Mr. Lapointe.]

Mr. DURANLEAU: If my hon. friend were told the names of those interested in this company, I think he would agree that the majority of them are Liberals. I do not want to discuss this point further at the moment. However, I would say to my hon. friends from Quebec that the Liberal administration of that province has carried on a certain custom for a number of years. If I understood the statements made by the hon. member for Quebec East some time ago in the city of Quebec, the hon. member is a great friend of and even responsible for the Liberal administration of Quebec. He stated that there was only one Liberal party in all the provinces of Canada. He stated there was solidarity between the Liberal administration in Quebec and the Liberal members of this house. He stated there was the same solidarity as far as the Liberal administration of Ontario is concerned. My hon. friend wanted to know why tenders had not been asked for from the firm of A. Deslauriers Limited. I will ask my hon. friend to get the information from his friends of the Quebec government and tell this committee what amount of money has been paid to this firm during the last fifteen years by the Quebec administration. When I was a member of the Quebec legislature I can remember the public buildings which were built by this company. In many instances no tenders were called for by the Taschereau government; at times the work was awarded simply by verbal contract. Hundreds of thousands of dollars have been paid to this company by that administration. My hon. friends say that we were not justified in withholding opportunities to bid from other contractors, but I contend that the public interest was safeguarded as a large number of firms were called to tender. I do not think the hon. member for Quebec East was serious when he asked me to call for tenders from the different firms mentioned in his letter. Tenders were called for from ten firms which I understood were reliable, and the contract was awarded to the lowest tenderer. The amount involved, $355,000, was a very low price. I ask the hon. member to get from his friends in the Department of Public Works at Quebec a list of the public works which were undertaken during the last five years, a list of the firms who were asked to tender, the contractors who secured the contract and the subcontracts, the amounts paid to all these contractors and subcontractors, and I think my hon. friend will easily learn, what I am stating to this committee, that the custom was established by the Liberal administration and approved by my hon. friend from Quebec East —entirely approved. I have never heard a

word either from my hon. friend from Quebec East or from the hon. member for Quebec South as to the methods employed by the Liberal administration of Quebec in asking for tenders for public works; and we have thought it advisable to give some encouragement to other reliable firms in Quebec, provided the public interest is safeguarded.

Mr. POWER: I am not quite sure that what the minister has said justifies this government in not following the practice which the Minister of Public Works himself has considered to be a sound one, namely, calling for public tenders. I do not know that all the bad example which might have been given by the government of the province of Quebec would justify the Minister of Marine in the contention which he now makes that this Public Works Construction Act is for the purpose of encouraging his friends. I thought it was to provide relief.

Mr. DURANLEAU: I never said that, sir.

Mr. POWER: I understood the minister to say—I think I heard him rightly—that for the past five years in the province of Quebec contracts have been let in the manner in which this present contract has been.

Mr. DURANLEAU: The last fifteen or twenty years.

Mr. POWER: At any rate, for the last five years. Am I right in saying that the minister stated that for the past five years that has been the method?

Mr. DURANLEAU: Perhaps fifteen or twenty years.

Mr. POWER: I took the trouble at six o'clock to call up the Minister of Public Works of Quebec, the Hon. Mr. Francoeur, and asked him to allow me to state on his behalf what was the policy and procedure followed in awarding contracts for public buildings in the public works department of Quebec, and he told me that with one exception, the details of which he could not give at the moment, all public buildings erected since he became minister, in 1930 or 1931, had been erected after tenders had been called for publicly in the newspapers of the province. I have no reason to doubt his word, and if the Minister of Marine has any reason for doubting it I have no doubt the Hon. Mr. Francoeur will write him. Mr. Francoeur stated that in connection with the most recent public building for which a contract was let in the city of Quebec, the extension to the parliament buildings, public tenders were called for, and the same with the Quebec gaol, a building constructed in recent years—

Some hon. MEMBERS: Hear, hear.

Mr. POWER: Oh, there is no chance for the minister or any of his friends to get in; it is a women's gaol and we are careful. That was built after public tenders had been called for. In connection with the extension to the parliament buildings on St. Augustine street, public tenders were called for in the newspapers, and he mentioned two or three others. He said he had not the facts of every case before him but he could authorize me to say that with one exception tenders were called for in the newspapers. That was a good example to follow. I would suggest that the minister instead of following the bad old example of fifteen years ago, with reforming which he no doubt had a lot to do when he was a member of the Quebec legislature —instead of following that bad old system I suggest that if he would follow the good, modern, up to date system which is in effect in Quebec we would all agree, and both he and I would support that government in Quebec which he blames us for supporting at the moment.

But I have a little grievance of my own against the minister. Away back in February some time I asked for a return of all orders in council passed under the Public Works Construction Act by the Department of Marine. I had also asked for orders in council passed by the Department of Public Works, and the Minister of Public Works, who had far more business to do, was kind and courteous enough to produce a large file of them—they spread all over these desks.

Mr. ELLIOTT: Too big.

Mr. POWER: As a matter of fact the ex-Minister of Public Works has not slept nights for looking through this file. The Minister of National Defence also produced orders in council and the Minister of the Interior produced some. But of all those that were carried out by the Department of Marine we have five, whereas I think I have a list of some twenty-five orders in council that were passed in connection with these public works. I am well aware that the minister will say to me that under the act he is not obliged to do anything more than publish a précis of these orders in council in the Canada Gazette if they were passed when the house was not sitting, and that he must produce them forthwith if the house

is sitting. That is the proper interpretation of the act, I believe. But I call his attention to the fact that I asked him for the production of these orders in council and he has delayed for a period of well over six weeks. The minister had all these orders in council, a number of which were passed as far back as August—for instance, the painting of the harbour bridge was passed in August, and the Quebec transit sheds in November. That was the second order in council.

Mr. DURANLEAU: Did my hon. friend ask by letter?

Mr. POWER: No, it was a return of the house, a long time ago.

Mr. DURANLEAU: A motion for the production of papers?

Mr. POWER: Yes. I asked for all orders under the Public Works Construction Act, and I think I asked specifically in connection with the Marine department. I asked for all orders in council passed under the Public Works Construction Act. But not only that; I have been in communication with the minister's department for the past week or so, asking that they be hustled. I did not want to rise on the orders of the day as a matter of privilege; I know the minister does not like that and I do not like it either. But it would have been only fair to have these orders in council ready for the time we were to have a discussion on these matters. I do not want to make individious comparisons, but the Minister of Public Works has presented all his orders passed prior to the opening of the session, and as soon as any other order in council is passed while the house is in session it is produced. He is producing them every day and the orders in council in the Public Works department must run into the hundreds.

Mr. ELLIOTT: He is passing far too many.

Mr. POWER: As a matter of fact he is passing far too many for our convenience. I will ask the Minister of Marine to produce the following orders:

P.C. 1781.

Also one about Whitehead, the number of which the minister forgot, but it is dated October 25.

P.C. 2101.
P.C. 1566.
P.C. 3041.
P.C. 2228.
P.C. 2524.
P.C. 3179.
P.C. 2526.
P.C. 3223.

And will he explain how it is that order was passed on January 14, 1935.

P.C. 2377.
P.C. 2908.
P.C. 1914.
P.C. 2828.
P.C. 2827.
P.C. 1869.
P.C. 2824.

Also, if he will be so kind, will he produce the correspondence and in particular the tenders filed with the department at both the first call and the second call for tenders in the case of the Quebec transit sheds, the item which we are now discussing, marked in the appropriations of last year as $463,000? We would be glad if the minister would produce these before we have any further discussion of this matter some other evening.

Mr. LAPOINTE: Would it also be possible for the minister to bring down the correspondence with regard to the first tenders that were asked for and before the granting of the contract, that is the correspondence exchanged between my hon. friend and various firms of Quebec city and I understand there is some correspondence from some of his colleagues. Of course there is nothing personal in that, and it would be very helpful in the discussion of this matter.

Mr. DURANLEAU: Answering the hon. member for Quebec South, I have no objection whatever to filing not only the orders in council mentioned by my hon. friend, but all the orders in council passed under the Public Works Construction Act. I think the motion of my hon. friend did not mention the Department of Marine, because it was not brought to the attention of my officials. I am quite sure if that motion had been brought to their attention, all the orders in council would have been filed right away. As soon as they are certified, I will file copies of all the orders in council.

Mr. POWER: Will the minister also inquire from the officials whether they are aware of the fact that an order for a return was passed by this house long ago?

Mr. DURANLEAU: I remember a few days ago my assistant deputy minister discussed the matter with me and spoke about the meaning of that section of the legislation about filing all those orders in council. He was not sure whether we were bound to file all the orders in council or only those passed under general items of the schedule.

Mr. POWER: I do not want to give the minister a lesson in constitutional law, but

he ought to know that if there is an order of the house calling for filing all the orders in council, it does not matter what the act says; he has to file them.

Mr. DURANLEAU: I understand that, but the hon. member's motion was not brought to the attention of my officials or I would have complied immediately with the order.

Mr. POWER: When an order of the house is passed calling for the tabling of certain orders in council, it is not necessary to discuss the interpretation of a statute with the officials of the department.

Mr. DURANLEAU: That is what I am saying to my hon. friend. Probably my officials were not aware of that order, because they came to me and discussed the interpretation of the act. Had they known of that order, they would not have discussed that interpretation; they would have tabled the orders in council. They will be tabled anyway within a day or two.

As regards what the hon. member for Quebec East (Mr. Lapointe) has said about the Cummins Construction Company Limited of Montebello, that firm did not file any tender, so that it does not matter whether they were asked to tender or not.

Mr. POWER: There must be some good contracting firms in Timbuctoo from whom the minister might call for tenders the next time, and then he would have a very respectable list.

Mr. LAPOINTE: Could my hon. friend bring down the correspondence?

Mr. DURANLEAU: I shall be pleased to bring down everything we have in connection with those works.

Mr. LAPOINTE: That would be better than discussing the deeds or misdeeds of the Taschereau government.

Mr. POWER: The statement of the Minister of Marine is not finished yet.

Mr. DURANLEAU: Number 139, estimate of $75,000 for repairs to concrete of exposed surface of storage bins of grain elevator in Quebec. The contract was awarded under order in council of April 2, 1935, to Concrete Repairs Limited, Montreal, for $71,695.

Mr. POWER: What is the number of the order in council?

Mr. DURANLEAU: It is No. 844. I might give immediately an explanation of the reason why the contract has been awarded to a Montreal firm. This is a very special work.

Mr. LAPOINTE: Oh, oh.

Mr. DURANLEAU: The hon. member for Quebec East may laugh—

Mr. LAPOINTE: That seems to be all I can do.

Mr. DURANLEAU: —my hon. friend may know more than the engineers in that respect. I will bring down the correspondence if my hon. friend wants it. I will show him a report from the engineers that only three firms can do that work properly, namely: Concrete Repairs Limited; Gunite and Waterproofing Company, and Western Waterproofing Company Limited, Montreal.

Mr. CAMPBELL: What engineer gave advice?

Mr. DURANLEAU: Consulting engineer Ernest Gohier of Montreal. He is an outstanding engineer.

Mr. POWER: His picture was in the paper.

Mr. DURANLEAU: I do not know that, but he is a first class engineer and his report was to that effect.

Mr. POWER: When was the order in council passed?

Mr. DURANLEAU: On April 2, 1935.

Mr. POWER: Has it been tabled and, if not, why not?

Mr. DURANLEAU: It will be tabled with the others.

Mr. POWER: It is all very well to lie down on the job of tabling those passed before the session, but those passed during the session must be tabled forthwith. That is the law.

Mr. DURANLEAU: It might have been tabled; I am not sure.

Mr. POWER: The minister said it was not. It is not my job to teach the minister the law; he ought to know what the law is. I would call his attention to the fact that he has to observe some rules; peace, order and good government must be observed here. I think this is a terrible thing.

Mr. DURANLEAU: That was passed only on April 2.

Mr. POWER: It has not been tabled. Next one?

Mr. DURANLEAU: Saint John, N.B.

Mr. POWER: Are there no more in Quebec?

Mr. DURANLEAU: No more in Quebec.

Mr. POWER: What about the $730,000?

Mr. DURANLEAU: No tenders are asked for yet.

Mr. POWER: It is marked "contract" here in the report given by the Minister of Finance, statement of moneys expended under the authority of the Public Works Construction Act, 1934, chapter 59 of the statutes of 1934, in the fiscal year 1934-35 up to February 28, 1935. Amongst other things it says: "Quebec, new quay wall to widen pier No. 1, west side, $730,000," and under "contract or day labour," it says, "contract." Expenditure $1000; commitments outstanding $14,000. Now what is that all about?

Mr. DURANLEAU: I am sure that the plans and specifications were in only lately, and no tenders have been asked for yet. Probably there was some preparatory work done by the harbour commission.

Mr. POWER: Apart from admonishing the minister to keep the house advised, he ought to keep his colleague the Minister of Finance advised as to what he is doing, because I am sure the Minister of Finance does not want to deceive the house, and he has it here in his statement.

Mr. LAPOINTE: Next?

Mr. DURANLEAU: Saint John, N.B., item 153, $2,000,000, work not started yet, and no tenders asked for yet. There are works of demolition which have been done last year and not completed yet, done by day labour.

Mr. POWER: Again the statement of the Minister of Finance filed in the house shows expenditure and outstanding commitments from inception to February 28, 1935, Saint John, N.B., reconstruction of berths 1, 2, 3 and 4, $2,000,000. Is that the item to which the minister refers? Under the heading "contract or day labour" it says "cost plus contract"; under the heading, "expenditure," $119,967.61; under the heading, "commitments outstanding," $155,032.39. That seems a lot of money.

Mr. DURANLEAU: These are demolition works which have been awarded to a firm in Saint John at cost plus.

Mr. POWER: It is a pretty nifty little contract, $155,000.

Mr. DURANLEAU: These works are done by day labour by the Saint John Drydock Company Limited.

Mr. POWER: But it is all under this $2,000,000. Was it a contract?

Mr. DURANLEAU: There was a contract given to the Saint John Drydock Company Limited for the demolition of the old pier at cost plus. But as to the reconstruction, no contracts have been awarded yet and no tenders asked for.

Mr. POWER: Is the minister in a position to tell us who was the contractor?

Mr. DURANLEAU: Yes, I have just stated, Saint John Drydock Company Limited under an order in council.

Mr. POWER: What is the percentage on the demolition contract?

Mr. DURANLEAU: I think it is four per cent, I am not sure. I shall have the order in council at the next sitting and give the information to my hon. friend.

Mr. MICHAUD: Were any tenders called for the demolition of these piers and works?

Mr. DURANLEAU: No, I do not think so. It was given "cost plus" because we considered that the Saint John Drydock Company was the best firm in Saint John to do the work. Also they are good Grits.

Mr. POWER: That is the reason they get four per cent.

Mr. MICHAUD: I am not concerned with that aspect of the question; I am more concerned about the cost and the saving that could be made. I would like to know why no tenders were called for that kind of work. It is a very substantial amount. So far about $300,000 is involved and we do not know whether this will complete the work of demolishing these structures; it may amount to half a million or a million. We should know why no tenders were called for that large amount of work. I think the law provides for the calling of tenders for works above a certain amount.

Progress reported.

At eleven o'clock the house adjourned without question put, pursuant to standing order.

Friday, April 12, 1935

The house met at three o'clock.

PRICE SPREADS COMMISSION

PUBLICATION OF REPORT IN THE PRESS IN ADVANCE OF PRESENTATION TO PARLIAMENT

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Mr. Speaker, may I make an explanation to the house with refer-

ence to remarks I made yesterday in referring to the price spreads report? I referred to having compared what appeared in the press with what was in the report and stated that there was evidence that whoever had given the report to the press had had an intimate association with it. I had not known at the time that the report had not been tabled. The comparison that I had made was between what appeared in the press on Monday night and a fuller account which appeared on a subsequent day in the press elsewhere, and which spoke of matters following as "major points contained in the report."

I assumed that when the report had been signed and presented to the minister it had been immediately tabled and that what I was reading in the press was from what the minister himself had tabled. I need not say that I have not seen the report itself, and in fact it was not until after I had spoken that I discovered that the report had not been tabled.

Hon. H. H. STEVENS (Vancouver Centre): Mr. Speaker, yesterday I was not in the house when the right hon. leader of the opposition brought to the attention of the house the matter which he described as of very grave importance to the liberties and dignities of the House of Commons. I am not going into any great discussion of that phase of the matter.

The right hon. gentleman made two statements to the house. His first statement was made on Tuesday and I propose not to deal with that statement to-day. In that statement the right hon. gentleman by innuendo reflected upon myself, but I shall deal with that amply and fully at a future time.

Yesterday the right hon. gentleman raised again the question to which he has now just referred; that is, the publication in the press of Monday of what was undoubtedly a summary of the findings of the commission. I have listened with some interest to the explanation which the right hon. gentleman gives of what is recorded in Hansard of yesterday. I shall not seek to follow that method of explanation. What I shall say will be very direct and very definite and will leave no doubt in anyone's mind as to the accuracy of my statement.

In the first place before I make this statement I draw the attention of the house to several somewhat singular things, and the first is this, that there has been a singular excitement about one particular disclosure. The second is this, that during the past six weeks there have been continuous leaks from the commission, responsibility for which I absolutely and unreservedly disclaim. Personally I was not much concerned about it. I knew, as hon. members sitting within my hearing now know, that much of the deliberations of the commission were necessarily and properly discussed with those not members of the commission. But I was curious as I read the Hansard report of yesterday to know why no reference was made to the publication on Friday last of almost the full verbatim minority report; and why no question was raised as to the publication last week of a fairly complete summary; and why no question was raised as to the publication of a summary nearly two weeks ago and as to many other incidents of leakage for which I state without reserve I accept no responsibility.

As regards the summary to which the right hon. gentleman has drawn attention and in reference to which he himself said yesterday, and explains it away to-day, that he had compared it with the report, I have this to say: I was as much surprised as any hon. member of the house when I learned of the publication of this information on Monday last, nor did I know until to-day how it had reached the press. However, I find that I must take the responsibility for this information having reached the hands of the press. No one regrets more than I do its premature publication.

I have one further word to say. Yesterday one hon. gentleman interjected into the Lilliputian discussion a reference or insinuation that there had been a violation of an oath of office. I think I owe it to myself and others to quote the oath of the commissioners which was as follows:

> You do solemnly and sincerely promise and swear that you will duly and faithfully and to to the best of your skill and knowledge execute and perform the office of commissioner under part I of the Inquiries Act and upon the authority of order in council No. 1461 of the 7th of July, 1934, to continue, complete and report upon the investigation of the select special committee of the House of Commons in the question of the spread of prices for commodities.

There is no reference in part I of the Inquiries Act to the release of information. I am not attempting to justify anything on that score but I want to remove any doubt from the mind of anyone who may have heard the suggestion that there was a violation of an oath of office by any member of the commission who may have disclosed what went on. I notice also that in answering the roll call yesterday several members of the commission did not in any sense disclaim responsibility. One asked for a commission, another endorsed his observation, a third did likewise while others made statements regarding the

release of information. I repeat that as far as I am concerned I regret the premature publication of this summary and while I take full responsibility for it, I do so with the knowledge and a clear conscience that there was no intention of violating any confidence.

Mr. MACKENZIE KING: Mr. Speaker, the former Minister of Trade and Commerce (Mr. Stevens) has just dealt with my remarks of yesterday in relation to the report of the royal commission. He said he would deal later with what he regarded as a reflection upon himself as chairman of the committee which had to do with the price spreads investigation. May I say to him that the ground upon which I based my remarks in that connection was the correspondence tabled in this house some time ago, and which contained a communication dated October 26, 1934, from the Prime Minister (Mr. Bennett) to the hon. gentleman in which the following paragraph appears:

> It is fundamentally unsound that the chairman of a select committee and of a royal commission, whether or not a member of the government, should publicly discuss the committee's proceedings before the evidence had been completed and a report thereon made by the royal commission, especially in view of the rule that prevents members of the House of Commons from discussing in the house proceedings before its committees until final report has been made. Conclusions or judgments should not be pronounced until taking of evidence is completed and arguments heard thereon.

That is the correspondence upon which my remark was based. I had also as authority what is known to every hon. member of the house as to the extent to which my hon. friend would be violating the rules in publishing proceedings before a committee before any report thereon had been made to the house.

Mr. STEVENS: Mr. Speaker, I spoke to a question of privilege but I do not know what the right hon. gentleman has spoken to. I hope the house will indulge me while I make a brief further statement. I had no desire to go into the discussion of Tuesday last but the right hon. gentleman has made necessary a further reply. As a member of twenty-four years' standing in this house, I claim the liberty of replying. On Tuesday last the right hon. gentleman said:

> I should like to suggest also that when the government are considering the legislation that is to be based upon the recommendations of this commission, with respect to unfair practices and unethical proceedings, it might consider whether it is not possible to enact some legislation which will prevent unfair practices and unethical proceedings on the part of the chairmen of committees of this House of Commons when dealing with price spreads and mass buying.

The right hon. gentleman made no specific reference to myself but as I was the only chairman of a price spreads and mass buying committee of this house the suggestion or innuendo is that I was unfair as chairman and unethical in my practices in connection with the discharge of that duty. Outside of the house the right hon. gentleman has described me as a hypocrite because of my attitude and the speeches I delivered in connection with this matter.

At the outset I must say that I have no apology to offer to the right hon. gentleman or to any other man, firm or group in this country as to my attitude on this subject. I should like to ask this question: To whom have I been unfair? I think the answer is clear, and I should like to review it. I was charged with being unfair while chairman of the commission to Mr. Stanley McLean, president of the Canada Packers Limited. I have been charged with being unfair to Sir Joseph Flavelle and the Robert Simpson Company. I have been charged with being unfair to the T. Eaton Company. I have been charged with being unfair to the tobacco industry and the National Fish Company as well as to some others. Charges have been made that I was prejudiced and unfair to these people and to these concerns.

I now ask this question: Has anyone during the last fifteen months, five of which I was chairman of the committee and subsequently a private member of the commission, charged me with being unfair to the workers, to the farmers, to the growers of vegetables and fruits, to the small merchants from one end of Canada to the other or to the cattlemen who appeared before that committee? If anybody is prepared to point out a single instance where I failed to give fair treatment to him, then I should be alarmed and ready to make amends. But these, sir, are not my accusers. The accuser, in regard to the quotation from some of the correspondence read by the right hon. gentleman a moment ago, was Mr. Burton of The Robert Simpson Company. He was the accuser; he is the gentleman whom the right hon. gentleman cites to-day as being—

Some hon. MEMBERS: No.

Mr. STEVENS: —the one—

An hon. MEMBER: Your own leader.

Mr. STEWART (Edmonton): Absolute rot.

Mr. STEVENS: He is the one whom the right hon. gentleman cites to-day in giving grounds for my unfairness. No other person made any accusation at that time in regard to the correspondence to which the right hon. gentleman alluded.

And now I turn to the correspondence, which referred to the pamphlet that was issued last July. I have kept pretty silent about this matter. I have not up to the present resented or explained or answered accusations in regard to the issue of that so-called pamphlet. I shall do so now as clearly as I can, and I venture to say there sit in this house fifty members who can verify the accuracy of my statement.

There is in this parliament a club known as the study club, under the chairmanship of a distinguished member of this house. It consists solely of members of parliament and I think the object of the club is a good one. I have had the honour of addressing it on two or more occasions. On the occasion in question, it was at the end of the last session. I am not quite certain whether the price spreads committee had completed its work, but it was within a day or so of the end of the session. I was asked to address them on the subject and to analyze and summarize the work of the committee. I saw nothing that was wrong in doing that, and I did it and did it very frankly. It has been the practice of that club to have a reporter present who takes down the speech of whoever happens to be the guest speaker. This was done, not at my request; it was done and later the report was submitted to me. There sit in this house a number of hon. gentlemen who urged me to furnish them with a number of copies of that speech. I intimated that I did not care to have the speech published as it was delivered extemporaneously. However, I corrected the copy and it was mimeographed at my own expense. I did not circulate it. It has never been circulated yet as far as I know, and in so far as the mimeograph to which I refer is concerned, with the exception of a certain number of copies that were sent to a few representative press men in this country, in confidence, and not by myself. The speech got into the press subsequently.

I have no apologies to make for anything that was in that speech—none whatever. The speech was accurate in the main. When it appeared however Mr. Burton of the Robert Simpson Company and his associates came to Ottawa and placed their views before the Prime Minister. The Prime Minister telephoned me at Winnipeg where I was on my way west, and I told him what it was. I heard no more regarding that speech except what appeared in the press; I heard no more of it until the 25th day of October last. The subject matter then came up.

I would not be at liberty to say what happened on that occasion except for this fact—and in this regard I should like to refer to an oath of office of a different character. There was given to the press what happened in cabinet council. The oath of office in that respect is rather complete. Without reading all, I will read a portion:

> You will keep close and secret all such matters as shall be treated, debated, resolved on in privy council—

Etcetera, etcetera. I did not give out a single syllable, in any way, shape or form, of what happened there. The press had the story, and it was represented that I should either make apology or resign. I declined. There is a question of misunderstanding. I am not going to debate that. The long and short of it was, I resigned from my seat in the cabinet, and I resigned as chairman of the commission because, as I stated in the correspondence that has been cited this afternoon, I felt it was desirable that the chairman of the commission should be one in harmony with the views of the government.

Now it has also been stated and charged by the right hon. gentleman—and it was suggested to-day—that I had made speeches regarding the work that was being carried on in the price spreads committee. That is perfectly true, and I did it deliberately. It was not done in a corner; I did it purposely. I knew very well that as a general rule matters of this kind referred to a committee of the House of Commons were born to die, and I made up my mind that would not die. And it did not die. Again I say, sir, to you and to this house, that I make no apologies to anyone for the course I have pursued for the last fifteen months. I told the Prime Minister in January, 1934, a year ago last January, that knowing the conditions as I did, first among the agriculturists of this country, and the manner in which live stock particularly was under the dictation of large packing concerns, and having learned, secondly, the extent to which the sweatshop conditions of Canada had developed, I refused longer to remain silent on the subject. I declared to him, as I declared elsewhere on more than one occasion, that I proposed to raise my voice on every possible occasion so that the people of the country might know what the conditions were.

I have followed that policy deliberately and I propose still to follow it. It is said, sir, that I have violated—and this reference was made yesterday in an indirect way—judicial procedure. My answer to that is this: This was not a judicial inquiry. When this question first arose in January, 1934, following my speech in Toronto and following the protests of the T. Eaton Company regarding that speech, I asked for a judicial commission of inquiry, presided over by a judge. It was considered not advisable to appoint such a commission and the suggestion was made to me that a committee of the house should be set up, with myself as chairman, with full liberty to go into the matter as completely and freely as desired, and I accepted that responsibility. Had I done otherwise, I would have laid myself open to the charge that I was running away from a problem which I myself had cited. So I accepted the responsibility, not as a matter of choice, because I would have preferred a judicial inquiry.

But what happened? What happened was the appointment of a select special committee of the House of Commons of the ordinary type frequently appointed. That committee met and I was appointed its chairman. We carried on our work from February 15, I think it was, until the end of June. I believe hon. gentlemen will at least give that committee credit for this, that it was unremitting in its toil and devoted in its efforts to work out the problem submitted to it. It was appointed not as a judical inquiry with respect to any man, firm or business, but to investigate the cause of the low prices to the producer and the low wages to the worker, in addition to a number of other things that were recited. It was an investigation committee and I was chairman of that investigation committee. My duty was to investigate and not to sit as judge.

The right hon. gentleman (Mr. Mackenzie King) has said as well that I had acted as judge, jury and prosecutor, and some of his followers have echoed that, shall I say, denunciation, the suggestion being that I had forgotten the duties of a judicial character and had been a prosecutor. Again I ask him or any other hon. member, in so far as I have acted as a prosecutor, to show me a single instance where I have been unjust to those who were brought before the tribunal? One thing I will say is: Whether they were rich or poor, whether they represented a great corporation or were employees of a great corporation, they got a fair deal before that committee but they got no more. It is true as I have said that I have made a number, as a matter of fact, a great number of speeches, in Canada in which I reviewed those conditions. First I have tried to show to the public the facts of the case and the conditions which exist; second, I have endeavoured to suggest to the public possible remedial courses that might be adopted, and I have no hesitation in saying that to a measure at least the publicity which has been given to those speeches and to my activities in this respect has done something to mould public opinion along this line. To the extent that that has been done, I am content. My fate in this matter amounts to nothing. Whatever the right hon. gentleman's animus may be, I do not know what the cause of it is. I think I have sought to treat him, as I have tried to treat this house, with courtesy. I certainly differ on some subjects with some hon. gentlemen, some on this side and some on the other. There are viewpoints that are widely divergent. I respect their views, but I hold tenaciously to my own and I refuse at any time, as I have always done for the twenty-four years I have been in this house, to be a mere rubber stamp; if I have views, I will express them.

Since the committee was appointed in January, 1934, I have been subjected to all manner of criticism and opposition, and obstacles have been thrown in my way. I happen to know that thousands of dollars have been spent to try to find something that would discredit me. As I say, I have been in this house for twenty-four years; I have lived in Canada nearly all my life, about fifty years; I have lived in British Columbia for forty-one years, and I say to the right hon. gentleman now—and he has known me for a great many years—when he rises as a leader of a great party and impugns my honour, suggesting unethical and unfair practices, as he has done, I can look him or any other hon. member or anyone outside the house in the eye and say this: While I am conscious of having made many blunders and mistakes of which I am not proud, I can look the world in the face and assert: In so far as I have been able, I have conducted my course with at least a view to the honesty and decency of the game. It is true I have denounced certain practices. I have spoken, given expressions to views, and if I have an opportunity on a bill which I think is coming up here to-night in regard to amendments in connection with interest, I expect then to express views that will be distasteful to some of my friends through the country. I shall do this, because I feel it is in the interest of the country to do so, and I shall continue in that course. But because one remains silent as I have done for fifteen months

in regard to these matters, it does not follow that one is going to continue to do so and to allow others with impunity to attack one. No, I have no apologies to make to the right hon. gentleman, to this house or to anyone else for my conduct in connection with the price spreads committee last year or on the price spreads commission. I may have made mistakes, but I certainly have tried to do my duty as fearlessly and as frankly as I could do it.

Hon. C. H. CAHAN (Secretary of State): This question is raised as a matter of privilege and any member of the house concerned has a right to state his position. Yesterday I called attention to the fact that members of a royal commission are sworn in connection with the performance of their duties. Hon. members can read on the records of this house the form of oath which is administered. I wish to make one further reference in that connection, and that is that the order in council appointing the royal commission of which the hon. gentleman who last spoke (Mr. Stevens) was a member, provided that its members were to report their findings to the Minister of Trade and Commerce. That was their express duty, and they were not to report their findings to representatives of the Toronto press.

With regard to other matters which were mentioned and in which I feel somewhat concerned, especially because the Prime Minister (Mr. Bennett) is not here to justify the position which he took when the hon. gentleman (Mr. Stevens) resigned from the ministry, I desire to read from the correspondence in that connection something additional to what has been stated in the house. The Prime Minister in his letter dated October 26, 1934, addressed to the hon. gentleman who last spoke, which letter forms sessional paper No. 99 of the records of this house, said:

> In consequence of my investigations and perusal of the pamphlet, I endeavoured to prevent its further circulation. I did so for two reasons:
>
> 1. It is fundamentally unsound that the chairman of a select committee and of a royal commission, whether or not a member of the government, should publicly discuss the committee's proceedings before the evidence had been completed and a report thereon made by the royal commission, especially in view of the rule that prevents members of the House of Commons from discussing in the house proceedings before its committees until final report has been made. Conclusions or judgments should not be pronounced until taking of evidence is completed and arguments heard thereon.
>
> 2. Representations were made to me that statements contained in the pamphlet were at variance with the evidence given before the select committee, and were without any basis in fact. Circulation of such statements was injurious not only to individuals and business institutions aggrieved thereby but also to yourself, and prejudicial to the effective work of the commission and the cause you have so much at heart. I think you will agree that the circulation of a pamphlet containing untrue statements is contrary to every principle of British justice, and to pillory your fellow citizens in the court of public opinion on statements which are not supported by the evidence placed the commission as well as yourself and your colleagues in a most difficult position.
>
> I do not propose to do more than direct your attention to the fact that it is now clear that the statements contained in your pamphlet with respect to several Canadian enterprises and individuals are untrue in whole or in part. About that, I think there can be not the slightest doubt. It is one thing for a private individual to express his opinion with respect to the solvency or insolvency of companies or persons or with respect to the value or lack of value of property owned by others; but when a minister of the crown, with all the authority and power of his position, makes statements which are at variance with the facts and which are not supported by the evidence taken by the committee of which he is chairman, it is calculated to be most injurious to those concerned, and, as the minister is presumed to be speaking for the government, such action places upon the administration a grave and serious responsibility.
>
> It is impossible to justify the publication and circulation of untrue statements by a minister of the crown which are calculated to have the effect of destroying the reputation or property of any citizen of the country. I do not propose to refer in detail to the inaccurate statements in question, to which your attention has already been directed.

And if it were not because of the privy council oath to which the hon. gentleman has referred one might state very clearly the matter to which the right hon. Prime Minister then referred; and he then continued:

> Yesterday, in view of our previous discussions, I brought these matters to your attention as I deemed it desirable that you should indicate to me and to my colleagues what course you proposed to pursue when the royal commission should meet next week. You were asked to state your views in the light of complaints that had been made by those who claim to have been injured by misstatements contained in the pamphlet. You will recall that your colleagues were unanimously of the opinion that, in view of the inaccurate statements contained in the pamphlet, it was desirable, when the commission meets next week, that you should make a statement indicating the circumstances under which the pamphlet came into being, and expressing regret for any injury that such misstatements have caused to the reputation of any individual or business, and also indicating that the commission would afford complainants every opportunity to refute such misstatements.

I only wish to add that I can confirm from personal knowledge through being present on that occasion that what the Prime Minister there stated in that letter is entirely accurate.

Mr. STEVENS: Mr. Speaker, I claim again the right and privilege of a member of this house.

Some hon. MEMBERS: Hear, hear.

Mr. STEVENS: The hon. Secretary of State (Mr. Cahan) has read a lengthy extract from a letter, part of a correspondence regarding my retirement from the cabinet, laying special emphasis on certain paragraphs in that letter, which by the way has been on the table of the house for some months. I now claim the privilege of reading my reply to that letter. I did not invite this but I will not run away from it.

This is a letter dated October 30, 1934, and directed to the Right Hon. Prime Minister of Canada:

Dear Prime Minister:—

Your letter dated October 26, accepting my resignation, was delivered to me at my home by special messenger at 4.30 Saturday afternoon, the 27th instant.

In your letter you seek to establish that in my work as chairman of the "price spreads and mass buying committee" I had enjoyed the full support of my colleagues of the government. This, sir, you know is not true.

From the moment of the organization of the committee, following my speech in Toronto on January 15 last, almost daily throughout the long period of the last session I was subjected to irritating criticisms. One day it would be regarding my manner as chairman, the next the treatment of witnesses, particularly that of Stanley McLean of Canada Packers and of the heads of the Imperial Tobacco. Then the question of cost was constantly thrown in my face, and through it all from one of your senior members ran the constant refrain in a minor key "What can you do about it anyway?"

The fact that I refused to be influenced by these mischievous interferences is now advanced by you as evidence that I had an "absolutely free hand." In the interests of simple truth I must protest your claim in that respect, for, on the contrary, there has been constant criticism emanating almost exclusively from a small minority of the cabinet who, together with yourself, now seize on the "pamphlet" as a culminating excuse for an unwarranted attack on me as chairman of the commission and as a minister of the crown.

You express regret that I did not take the course suggested by you and your colleagues. It is always proper to make amends for any injustice done and none would be more ready to do this than I would be. For me, however, to have acted on your suggestion would have effectively destroyed my usefulness in the task I have set myself, and I would have been false to what I believed to be true and in the public interest. It would have been tantamount to a complete capitulation to those interests whose business practices are in my opinion responsible for untold suffering amongst the agricultural and industrial population of this country.

Making the apology you suggested would have been an easy way for me to have retained my seat in the cabinet but I prize my liberty of action and my sense of duty to the public of

Canada more than the mere retention of office.

It was not this only that caused me to tender my resignation; but rather the intolerable conditions which had developed in connection with my work as chairman of the commission and a minister of the crown.

I deeply resent—

As I do now.

—your thinly veiled insinuation that I have been deliberately untruthful. In this respect you base your judgment on representations from one whom you fail to name in your communication, nor have you offered a scintilla of evidence to support your innuendo. In conversation, but not in your letter, you told me that you rest your case on representations made to you in the early part of August last by C. L. Burton, head of the Simpson Company, Limited. You further stated that he had submitted to you documentary support for his allegations. Would it not have been an act of courtesy to have submitted these documents to me for answer?

And I interject that up to the present moment I have not been accorded the courtesy of the alleged documentary evidence.

Furthermore, you did not speak to me about this matter from August 4 until Thursday afternoon last—

That was October 25.

—which again, I suggest, is a singular course of action to adopt towards a colleague.

My public utterances have been made for the purpose of informing the people of Canada of grave social and economic wrongs which, as a result of my study of their causes, I believe are due largely to certain practices indulged in by large merchandising concerns.

I have under my hand indubitable support for what I have said but I choose to reserve extended and detailed discussions for the public platform and the floor of parliament.

As to the propriety of my actions as chairman of the price spreads committee last session, I prefer to leave this to the judgment of the public for whose opinion I still entertain great respect. But, sir, why all the reticence about discussing these subjects? As a matter of fact full account of the evidence—

I ask the house to note this.

—had already been exhaustively reported and reviewed in the public press.

That is a matter which is ignored to-day. Full reports of the proceedings of the committee were published on the front pages of all the papers of Canada, and all I did was deal with matters that already had been in the public press to a very wide extent.

The front page of every large daily in Canada had from week to week carried the story, and all of this, months before the "pamphlet" was ever heard of.

In your letter to me you were good enough to express some words of appreciation—

Which, by the way, were carefully excluded by the hon. gentleman who just spoke.

—of my work as a minister. These words I acknowledge with thanks. But, sir, when you refer in your closing words to "British justice and fair play" I cannot but bring to my mind the countless thousands of citizens of Canada who are patiently suffering while others whom you champion in such eloquent terms have been reaping rewards far beyond that which any citizen might reasonably expect to win. It is for those inarticulate sufferers that I have been striving with the hope that remedial measures might be found.

There was a further letter which in justice to the Prime Minister I will also read. I regret that this correspondence between the Prime Minister and myself should be introduced while he was absent, but it was not done by me; let that be noted. The Prime Minister's reply was dated October 31:

I received your letter of yesterday in due course.

As you resigned as Minister of Trade and Commerce and chairman of the royal commission rather than resume, as proposed, the amicable discussion with your then colleagues, which, by consent, was adjourned on Thursday last—

I will deal with that in a moment.

—when all relevant papers to which you refer were available to you, no useful purpose will be served by anticipating parliamentary discussion and containing the correspondence with respect to events of which I think it proper to state that your indicated memory is at variance with the recollection of my colleagues and myself.

I wish to refer to these words:

—the amicable discussion with your then colleagues—

It has been stated, and I welcome this opportunity of making a statement in this regard, that my colleagues desired me to return and discuss the matter further, or to put it more accurately, perhaps, that cabinet council adjourned with the expectation of meeting again the next day and continuing the discussion. That is perfectly true, but on the morning of the 26th, before noon—and the cabinet council was to reassemble in the afternoon—to my annoyance I found that there appeared in the press a fairly complete résumé of what had happened in council, in regard to which a very solemn oath had been taken. The gist of this publication was that I had been asked to make some amends, and to whom? To Mr. C. L. Burton, of the Robert Simpson Company, and one other firm that was never mentioned in the price spreads committee but which I mentioned here in the House of Commons during the debate on the budget last year. I will leave them out. I was asked to make amends to C. L. Burton, of the Robert Simpson Company, who had complained to the Prime Minister regarding the utterances in the pamphlet, to which I shall make further reference in a moment. And the newspaper account of the meeting of the cabinet was to the effect that if I did not make these amends I would be asked to resign. Sir, I would not take that position for anybody, and I resigned and refused to go back to cabinet under those conditions. I resigned for that purpose and for that reason, that the secret and private discussions of cabinet had been spread upon the pages of the press. Had I gone back and had an amicable arrangement been made between my colleagues and myself it would have been on record that I had gone back because I had been publicly spanked in the press, and I had no intention of placing myself in that humiliating position. That was why I did not go back to cabinet council.

Now I should like to say a word with reference to the Robert Simpson Company and Mr. Burton. The Prime Minister, in the correspondence read by the Secretary of State with such unction, said there were certain misstatements in the pamphlet. I have the pamphlet here. One of the alleged misstatements was this, that the Robert Simpson Company, who at the time they did that splendid piece of financing—from the standpoint of Sir Joseph Flavelle and all the crowd—which permitted the original group to take $10,000,000 out of the company and substitute for it a lot of mortgage bonds, all of which is in this report which will be tabled to-day, bearing out to the letter what I am saying and what I said in this pamphlet; in that financial set-up they issued $10,000,000 of bonds, and then they issued A and B stock—

Mr. SPEAKER: Might I interrupt the hon. member. After all, there is a report coming down in connection with this matter, and I do not think the hon. member should carry on a detailed discussion of it now.

Mr. STEVENS: I ask only one thing before I am ruled out of order, Mr. Speaker. I submit that I am as well acquainted with the rules of this house as any member in it, and I wish to observe them, but I ask one thing before you rule me out of order. The Secretary of State has read paragraphs which impugn the truthfulness and accuracy of my statement. Am I allowed to reply? I await your ruling.

Mr. SPEAKER: I have no hesitation whatever in ruling in regard to this matter; my mind has been clear for some time. May I give the incidents that have occurred since this debate, more or less, began. First of all

the right hon. leader of the opposition (Mr. Mackenzie King) rose to a question of privilege, and quite properly so. Then the former Minister of Trade and Commerce, the hon. member for East Kootenay (Mr. Stevens), rose to a question of privilege, and properly so. Subsequently the right hon. leader of the opposition replied, quoting from a letter. Then the hon. member for East Kootenay rose in his seat and craved the indulgence of the house to make a reply, and that indulgence was granted. From that time on more or less of a debate has continued in the house, I am satisfied quite contrary to the rules of the house but with the unanimous consent of the house, no one objecting. I have only intervened at this last moment, certainly not with the idea of in any way restricting any question of privilege, but in anticipation of the debate continuing further, having in mind what is covered by a report which the hon. member states will be tabled this afternoon.

I think the hon. member will agree with me that if the debate has continued it has been with the unanimous consent of the house. If it continues further it must be with the unanimous consent of the house. If that is desired I am in the judgment of the house. I am simply making the request that the hon. member would not continue along that line because of the fact, as he stated a moment ago, that the report in question will be tabled in the ordinary way and be debated in due course in accordance with the rules of the house. I am entirely in the judgment of the house in the matter.

Mr. STEVENS: Will you permit me, Mr. Speaker, to finish the sentence I had begun, and then I will say no more.

Some hon. MEMBERS: Go ahead; go to it.

Mr. GARLAND (Bow River): It is too important to drop now.

Mr. STEVENS: I submit, Mr. Speaker, that in view of the latitude given to the Secretary of State, I am entitled at least to the opportunity of reply.

Mr. SPEAKER: I do not wish to interrupt the hon. member, and I only did so for the express purpose, as I say, of preventing a further widening of the discussion, which of course can only be continued with the unanimous consent of the house.

Some hon. MEMBERS: Go ahead.

Mr. STEVENS: Mr. Speaker, I was in the middle of a sentence referring to the refinancing of the Robert Simpson Company, to which reference was made in this pamphlet which is the basis of all the accusations made in that letter regarding truthfulness or otherwise. I had said that in that refinancing structure they issued $10,000,000 of bonds, $10,000,000 of preference stocks, and two other classes of stock, one A common and one B common, one at $50 a share and the other I think at $100 a share. In any case there was a class A and a class B common, about $2,000,000 of that, and speaking from memory $1,800,000 was sold to the employees, and was sold to the employees under conditions which were anything but fair to them or a credit to the company. Many of those employees are still paying for that stock at $50 a share although the stock to-day is virtually worthless, being quoted on occasion at $5 for the class B and $10 for the class A, but I am told by brokers upon inquiry, and I have made inquiries, that it was without real value because there is no sale for it. But in my pamphlet I said that it was class B stock that the employees got. The truth is that it was class A stock, and so I am branded as being untruthful for the difference between A and B. I will admit it.

Another statement that I was charged with being untruthful in is this. In my speech before hon. members of the study club, referring to this matter I said that this stock was not worth a snap of your finger; that is the way I described it. I was told afterwards that that was a grossly unfair statement because the stock was worth $5 in the one case and $10 in the other, although it had been sold to these poor employees at $50 a share. I said it was not worth a snap of your finger, and again I was branded with being untruthful for that.

I went through this pamphlet, and I have here a list of the statements I made, but I shall not go into that now. I went back over the auditors' report and I took every one of these statements, and with the exception of these two to which I have referred, the transposing of A for B and the failure to interpret in printed form a snap of the finger, for that I was branded.

The other instance was where I referred to the Steelwares Company. That had nothing to do with the commission, nothing whatever to do with it, never was before it. I said in my place in the house beside the Prime Minister last session, speaking in the budget debate, that there had been 120 mergers in this country between 1920 and 1930. I made an analysis of them and I cited about a dozen, and among the companies I cited was the Steelwares Company. It was referred to again

in that speech which I made and which later became this pamphlet, and on that account again I was branded as being untruthful. I take back nothing that I said there. This thing has been before the public for six months, and I take nothing back. What I was arguing for is this, and I shall argue it further; I was arguing against the growing tendency in Canada of the concentration of the control of credit and the control of industry in the hands of a few, which makes it impossible for the agriculturist or for the individualist successfully to compete.

Yesterday afternoon, Mr. Speaker, I was absent from my seat in the house when this question was raised. I was in my office discussing with one of the outstanding private manufacturers of Canada—what? This man has built up an excellent business, has no mortgage on his plants, no bond issues. He has built up an excellent business; he is one of the ablest exporters and manufacturers in Canada, and he stands to-day confronted with a condition which indicates the ruination of his business. Why? Because a great American concern with a branch in this country with twenty or thirty million dollars of assets has gone into the banking business and is furnishing two and three years' credit to customers in Canada and driving this man, who is unable to grant such credit, out of business. And, sir, when he goes to the Canadian banks to borrow money he is asked seven and six per cent for it, while the customers of the American concern with a branch in Canada are getting it for five per cent. How can the Canadian survive? I was sitting in my office discussing that matter when this question came up yesterday or I should have been here. I merely state that, Mr. Speaker, in support of what I say has been behind this thing and what is behind it now, and if this house will address itself to the study of the problem of the concentration of power and wealth in this country, instead of to the Lilliputian performance of yesterday the house would be better off.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): Mr. Speaker, this debate has been entirely out of order, as Your Honour has stated. I certainly did not wish to suggest that it should not go on, but I regret very much that it should have arisen while the Prime Minister is not here in his seat as it refers very largely to him and to his letters. As far as I am concerned I think we have had a long enough debate on this subject, and if Your Honour will not rule that way, I am going to move that we proceed to the orders of the day.

Mr. MACKENZIE KING: Mr. Speaker I am not rising to prolong the debate. I do not want to touch the debate, but the hon. member for East Kootenay (Mr. Stevens) made one remark which was in the nature of imputing an unworthy motive to myself, and I wish at once to let him know that there was absolutely no ground for his assumption. He stated that he did not understand what the animus was which I had against him. May I assure him that I have had, and have no animus whatever, and that any criticism I have made of the action or words of my hon. friend or indeed of any hon. member has been made as a part of my duty to seek to uphold the privileges of this house and to seek to uphold the rights and privileges of hon. members of parliament irrespective altogether of the party to which they belong.

My hon. friend has tried as a result of that imputation to have it appear that there was some difference between the opposition and himself in regard to the matters under discussion. I do not think he should have sought to address his remarks to me. I think they would more properly have been addressed to the government as they were, for the most part, in fact; indeed, the only quarter to which they could properly be addressed was the house as a whole.

PRESENTATION OF REPORT OF ROYAL COMMISSION

Hon. R. B. HANSON (Minister of Trade and Commerce): Mr. Speaker, I desire to lay on the table the following documents: Five copies of the report of the royal commission on price spreads and mass buying; five copies of the minutes of proceedings and the evidence of the royal commission on price spreads and mass buying; five copies of the minutes of proceedings and the evidence of the special committee on price spreads and mass buying, and five copies of the index to the minutes of proceedings and evidence, which index covers both the royal commission and the special committee.

I desire to say that it is my regret that the French version is not yet ready but it will be tabled in the course of a few days. A French version of the résumé of the contents of the report in mimeographed form is available to hon. gentlemen.

Hon. H. H. STEVENS (East Kootenay): Mr. Speaker, I beg leave to give notice of the following motion:

That whereas this house on February 13, 1934, appointed a select special committee of the house on price spreads and mass buying;

And whereas said committee had not finished its work at the close of the session of 1934:

And whereas said committee was later continued as a royal commission under part one of the Inquiries Act;

And whereas the report of the said commission, based upon evidence taken before both the committee and the commission, was laid on the table of the house on April 12, 1935;

Be it resolved that the report of the royal commission on price spreads be adopted.

FAIR TRADE BOARD

On the orders for motions:

Mr. J. A. FRASER (Cariboo): Mr. Speaker, I desire to present a petition signed by Mr. Frank S. Scott and approximately 30,000 retail merchants throughout Canada praying for the creation of a fair trade board to work in conjunction with the provincial governments but to function under continuous federal government supervision and control, to adopt and maintain fair trade practices throughout Canada.

PRIVILEGE—MR. STEWART (Leeds)

On the order for motions:

Hon. H. A. STEWART (Minister of Public Works): Mr. Speaker, on a question of privilege I desire to refer to page 2643 of Hansard. The hon. member for West Middlesex (Mr. Elliott) asked a question to which I made the following reply:

> I think I can give that, but if I may be allowed to complete the whole statement, I shall be glad to do that. So far the contracts have all been let to the lowest tenderer. The list continues:

I should have stated that the contracts had been let either to the lowest tenderer or at the amount of the lowest tender. When the matter comes up again, I propose to accede to my hon. friend's request and give a list of the cases in which contracts were awarded to other than the lowest tenderer but at the amount of the lowest tender.

ADDRESS TO HIS MAJESTY

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): Mr. Speaker, in rising to move that a loyal address be voted to His Majesty the King, on the twenty-fifth anniversary of his accession to the throne, I feel I should begin by expressing my genuine regret at the fact that the Prime Minister (Mr. Bennett) himself is not here to perform this duty. It would be most fitting, of course, that the leader of this house should move such an address, and I am sure that the house will agree with me when I state that no person could do it better or with more feeling than the Prime Minister.

I consider myself fortunate in being called upon in his stead on this occasion. Representing Canada as I did for some years in the United Kingdom, I had the great privilege of coming into frequent personal contact with His Majesty, and I share with all those who have had a similar privilege, feelings of great admiration and profound respect as well as of loyal devotion. As the house may know, I was High Commissioner and Minister of Overseas Military Forces of Canada during a very trying period of His Majesty's rule; a period when the fortunes of his throne and of his empire were put to the stern test of armed conflict.

In the storm and stress of those difficult times, His Majesty gave his people the inspiration of great leadership, steady optimism and self-sacrificing devotion. Without ostentation, he kept in the closest possible touch with all the activities of his people. He visited the training camps, the armies in France and Belgium, the fleet at Scapa Flow, munitions plants throughout the country, and hospitals and convalescent homes. As I was privileged to be present on many of these occasions I can assure the house from personal knowledge that his simple human sympathy and his calm unremitting devotion to duty cheered and steadied the country. In all these things the king was always assisted and supported by Her Gracious Majesty the Queen and so in those dark days of war, as well as in the even more difficult tests of peace that followed, Their Majesties won for themselves, once and for all, an imperishable place in the hearts and minds of the people of the whole British commonwealth.

There is no doubt but that it was the character and conduct of His Majesty throughout these testing times that led to the strengthening of the monarchy with us at the very time that it was breaking down elsewhere. Since the war, thrones throughout Europe have toppled and the established order has been uprooted. The throne of His Majesty has remained secure and has in fact become more firmly based. The crown for us is the symbol not of despotism but of constitutional liberty and ordered progress; not of autocratic empire but of the voluntary union of free states.

Constitutional relations within the empire have changed much since the accession of His Majesty. The relation of the dominions and the United Kingdom is no longer that of colony to mother country, but of self-governing nations freely associated with each other. This development, however, far from weakening the position of the crown has only served to

strengthen it. The throne now more definitely than ever before binds us to one another and to our past. From whatever part of the empire we may come, we all claim kinship through our common allegiance to His Majesty the King.

His Majesty's reign has been eventful for more developments than the war and the constitutional evolution of the British commonwealth of nations. I shall not attempt to pass in review the events of these crowded twenty-five years, but I think I am safe in saying that there has never been a more dynamic, a more significant, a more difficult quarter century since recorded history began. In dealing with the baffling problems caused by these rapid social and political changes, His Majesty's ministers had at all times the benefit of His Majesty's ripe judgment, long experience and wise advice.

Many years ago a wise commentator on the British constitution, Walter Bagehot, stated "a sovereign has, under a constitutional monarchy such as ours, three rights—the right to be consulted, the right to encourage, the right to warn. And a king of great sense and sagacity would want no others—perhaps such powers as these are what a wise man would most seek to exercise and least fear to possess."

It is in the exercise of these powers that our king has played and continues to play his part in guiding the destinies of this great array of peoples who make up the British empire.

I do not feel that I need say any more. Inadequate as my words have been, they are the sincere expression of what I know animates every member of this house and every citizen of this country; loyal and affectionate devotion to His Majesty the King and Her Majesty the Queen.

I therefore move, seconded by Mr. Mackenzie King:

That an humble address be voted to His Majesty the King in the following words:—

To the King's Most Excellent Majesty:

Most Gracious Sovereign:

We, Your Majesty's loyal and dutiful subjects,

. . . . . .

the House of Commons of Canada in parliament assembled, beg to offer our sincere congratulations on the happy completion of the twenty-fifth year of your illustrious reign.

The eventful years which have passed since Your Majesty's accession to the throne have witnessed great and significant changes in economic, social and political conditions that have constantly demanded the exercise of the highest qualities of courage and of leadership. During these years important and definite developments in the constitutional relations between the several parts of Your Majesty's dominions have more firmly established that unity of which their common allegiance to the crown is the symbol and inspiration. We rejoice that each year has been marked by an increasing appreciation of Your Majesty's inspiring example of conscientious devotion to duty and of unselfish labour for the welfare of your people. Your Majesty will celebrate the twenty-fifth anniversary of your accession enjoying the unreserved respect and the loyal affection of the people in all parts of your dominions, which is a striking demonstration of the righteousness and wisdom which Your Majesty has exhibited both in war and in peace through years of unexampled difficulty.

We ask that our loyal and respectful congratulations may be accepted by Her Gracious Majesty the Queen whose untiring interest in every movement for the relief of distress and suffering and for the welfare of humanity has given her a secure place in the affections of the people of Canada. We rejoice that the queen will share the demonstration of loyalty and devotion which will be shown to Your Majesty on this memorable anniversary.

From time to time during Your Majesty's reign the people of Canada have enjoyed the honour of welcoming to this dominion His Royal Highness the Prince of Wales and other members of the Royal family, whose visits have not only deepened the loyal devotion of the people of Canada to Your Majesty but have enhanced their appreciation of the interest which is always taken by the members of the Royal family in all that pertains to the progress and welfare of this dominion.

We trust that we may continue for many years to enjoy the benefit of your gracious and peaceful rule. Our earnest prayer is that He who is the Ruler of all nations and the King of Kings may uphold, direct and preserve Your Majesty in health, in happiness, and in the affectionate loyalty of your people.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): In rising to second the motion which has just been made by the right hon. the acting leader of the house (Sir George Perley), may I say immediately that I share with him very sincerely the regret which he has expressed that the right hon. the Prime Minister (Mr. Bennett) is himself prevented from being in the house and having the honour of moving the address which has just been read. I hope, as I know all hon. members of this house also hope, that there may be some compensation to the Prime Minister in the fact that in all probability he will have an opportunity of personally presenting to His Majesty the address which is being voted by both houses of this parliament on the occasion of the celebration of the silver jubilee of His Majesty's accession to the throne. May I say further, seeing that it is impossible for the Prime Minister to be here to have the honour of moving the address, that I am very pleased, as I am sure all hon. members of this house are, that that honour has fallen to one who has played such a long and honourable part in the public life of our country as my right hon. friend the acting

leader of the house has; and one, moreover, who has been privileged, in the course of his distinguished and self-effacing career, to have the close official and personal relations with His Majesty the King which my right hon. friend has enjoyed.

It affords me, Mr. Speaker, much pleasure to have the honour of seconding the address which has just been moved by the right hon. the acting leader of the government to His Majesty King George V, congratulating His Majesty upon the completion of the twenty-fifth year of his reign. The sentiments expressed in the address are so completely in accord with those cherished towards His Majesty by the citizens of Canada generally, that it would only detract from the felicity of their expression were I to attempt to supplement, at any length, what appears in the address, and what has been so appropriately said by the acting leader of the government in proposing the motion.

May I say that I nevertheless welcome the courtesy extended by the government, in inviting me to second the address, in that it affords one of those occasions, too rare in our parliamentary life, where it is possible to make apparent that, however much members of the official opposition in this House of Commons may differ from hon. gentlemen opposite with respect to the policies which are best suited to the government of our country, as representatives of the people of Canada, we are, at all times, one with them in our allegiance to the crown, and are particularly so to-day, in the congratulations being extended from the parliament of Canada to His Majesty.

In the world's history there has been nothing comparable to the past twenty-five years. In this momentous epoch, the nations of the British commonwealth have indeed been fortunate in having so wise and good a king. I believe it is impossible to over-estimate how much, within this period, British peoples the world over, and indeed the world itself, owe to the personality, and to the personal example of King George, to His Majesty's steadfastness, his understanding, his fidelity and his sagacity.

As the address says, "in war and in peace, through years of unexampled difficulty," King George has been an exemplary sovereign. He has worked with his people, as well as for them. Their fortunes have been his, and his theirs.

In the great war, His Majesty, not less because of his own personal example, than in virtue of his high office, stood as the symbol of the common effort of all parts of his dominions. He was the rallying centre of all the forces that, in His Majesty's name, and in the name of British liberty, fought for a larger freedom. As other thrones have crashed and crumbled, his throne has become more firmly established.

In the difficult post-war period of reconstruction, as governments have come and gone, and many constitutional changes have been effected, His Majesty, in virtue of his understanding and wisdom, has remained the embodiment of an unswerving constitutional authority in Great Britain and beyond the seas.

Having regard to the times, and to the issues King George and his ministers have been called upon to face, I believe it can honestly be said that there has never been a better king.

It is most fitting that, in the address to His Majesty on this occasion, congratulations should be conveyed, as well, to Her Majesty the Queen, and that, as has been done, reference should be made to the place held by Her Majesty in the affections of the people. We are fully conscious of what, in sickness and in health, and in all that pertains to his high office, the life partnership of Her Majesty the Queen has meant to the king.

May I, in conclusion, say within these halls of parliament, what, recently, I was privileged to say beyond its walls:

"We welcome the opportunity, which this anniversary affords, to pay our tribute alike to the king and queen, to their sincere love for the people, their self-sacrificing lives, their definite standards of right and wrong, their simplicity of heart, and their steadfast faith. At this time, we are deeply conscious of what all these have meant to us, to our country, to the British commonwealth of nations, and to the world."

Mr. ROBERT GARDINER (Acadia): It is indeed with pleasure that I rise to support the motion that an address be presented to His Majesty congratulating him upon the twenty-fifth anniversary of his accession to the throne. This motion has been so well spoken to by the acting leader of the house (Sir George Perley) and the leader of the opposition (Mr. Mackenzie King) that it is not necessary for me to do more than say that on this historic occasion I am sure we as members of the house can forget our differences of opinion in order that we may speak with a united voice. I am certain it is the wish of all that His Majesty will retain his health and strength so that he may long remain in the prominent position which he now occupies.

Motion agreed to.

Sir GEORGE PERLEY moved, seconded by Mr. Mackenzie King:

That a message be sent to the Senate informing their honours that this house has passed an address to His Most Excellent Majesty the King expressing loyal and respectful congratulations on the twenty-fifth anniversary of his accession to the throne, and requesting their honours to unite with this house in the said address hereto attached,

And that the clerk of the house do carry the said message to the Senate.

Motion agreed to.

(The members of the house rose and sang "God Save the King").

PUBLIC WORKS PROGRAM

WORKS, UNDERTAKINGS AND GUARANTEES OF RAILWAY EQUIPMENT SECURITIES TO CREATE EMPLOYMENT

Hon. H. A. STEWART (Minister of Public Works) moved that the house go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to bring in a measure to create employment by public works and undertakings throughout Canada, and to authorize the government to guarantee equipment securities of the Canadian National Railways and Canadian Pacific Railway Company in the amount of fifteen million dollars.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Perhaps this is the appropriate time to draw to the attention of the house what seems to me to be a curious procedure with respect to this particular motion. It is in the name of the Prime Minister, but it relates to a measure that is to create employment by public works and undertakings throughout Canada, and also to authorize the government to guarantee equipment securities of the Canadian National Railways and Canadian Pacific Railway Company in the amount of $15,000,000. My first observation is that the motion relates to two separate and distinct measures, and this house should have two different bills presented to it, one which will deal with the question of the creation of employment by public works and undertakings and the other which relates to the guarantees to the railways of their equipment securities.

I further think the correct procedure would be that any measure relating to the construction of public works should be brought in by the Minister of Public Works, and that a measure relating to the guarantee of equipment securities of railways should be introduced by the Minister of Railways. I would much rather say what I am about to say with the Prime Minister (Mr. Bennett) present, but it is necessary to speak at once in order to bring out what I think is important in the matter of the procedure that we have been adopting of late. I cannot understand how it is, with the Prime Minister absent, and necessarily so, from the house since February 22, and, as we have been told by the acting leader of the government (Sir George Perley), quite unable to take and, I am sure, not taking any part in the business of the government, so many measures should continue to be introduced in the house in the name of the Prime Minister.

The theory of responsible government is that it is a ministry that is responsible, the ministers are responsible. The Prime Minister is simply the first among equals. I do think that if the theory of responsible government is to be adhered to, measures that immediately affect particular departments of government should appear in the names of the ministers who are responsible for those departments and who are the only ones present in parliament to discuss those measures. I would draw the attention of my right hon. friend to the fact that since February 22 we have had submitted to this house or introduced a resolution with respect to the Canadian grain board which is in the name of the Prime Minister. I think that measure would more properly appear in the name of either the Minister of Trade and Commerce or the Minister of Agriculture. Then there was a resolution with regard to the economic council of Canada; as it refers more particularly to the Prime Minister's department possibly it might be supposed to be introduced by the Prime Minister, but in the circumstances I think it might quite properly have been in the name of the Secretary of State. Then we have had several labour measures. We have one on the order paper still, placed there on March 6, in respect to the creation of minimum wage fixing machinery. This is in the name of the Prime Minister, I think it should have been in the name of the Minister of Labour. We have had a weekly day of rest bill, we have had an eight hour day bill and other measures relating distinctly to labour, which in the circumstances would more properly have been in the name of the minister of the department concerned. Then on March 8 there was introduced a bill respecting the additional protocol of 1935 to the Canada-

France trade agreement. That surely was a matter for the Minister of Trade and Commerce, or, seeing that the Secretary of State had to do with the negotiation of part of it, it might have been in his name, but I think should have appeared in the name of the Minister of Trade and Commerce. Now we have this particular measure which is certainly public works and railways; why it should be in the name of the Prime Minister, and the Minister of Public Works should take charge of it, I cannot understand.

I sometimes fear that we are completely changing the character of our political institutions, and amongst other things that little by little in this parliament we are following what I think is a mistaken method becoming common in Europe, of having the leader of a political party assume responsibility for all measures, and other ministers reduced to mere ciphers, in the part which they are to take in the proceedings of parliament and in discussion of public questions. I bring the matter up now because I think it is time that attention should be called to what is certainly an irregular procedure. I know the acting Prime Minister is here, and it is quite right that any measure that pertains to the Prime Minister's office should be introduced by him and dealt with by him, but when it comes to a position such as we have this afternoon, where a measure is in the name of the Prime Minister and the acting Prime Minister leaves it to other colleagues to deal with, I submit it is obvious that there is something not wholly in accord with the theory of collective responsibility on the part of the ministry and the direct responsibility of certain ministers.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): I need hardly say that I think the right hon. gentleman's remarks are not in order just now. However, I did not care to interrupt him. But I do not think he need be at all worried about the fact of some of these bills having been in the name of the Prime Minister. In the first place the greater number of those he mentioned were brought in in the name of the Prime Minister when it was expected that he would be back in the house almost any day to attend to them. I want to tell the right hon. gentleman further that all these measures have been submitted to the Prime Minister and he is cognizant of them. As far as I am concerned I happen to be a minister without portfolio—the pay of the ordinary minister was not big enough for me, so I am acting without portfolio. Now I have never known a case of a bill being brought into this house in the name of a minister without portfolio. The right hon. gentleman may happen to know of one but I do not. As far as this particular bill is concerned it refers to various departments, but is all for the purpose of creating employment and so on. It is largely to supplement the Public Works Construction Act of last year, and that will so appear in the bill. The Minister of Public Works is going to take this bill and attend to it, but the various ministers and departments involved will be prepared to discuss their own part of the schedules and answer questions about them when we come to the schedules. I submit that this is a bill which covers the activities of various departments, and it having been submitted to the Prime Minister and having received his consent I think it was quite properly put in his name.

Mr. A. A. HEAPS (North Winnipeg): I wonder if the acting Prime Minister would be good enough to answer a question at this stage? Has he received any requests from the two railways for the manufacture of this equipment?

Mr. SPEAKER: This is not the time for questions.

Sir GEORGE PERLEY: This motion is not debatable. When the resolution is brought up the hon. gentleman's question can be asked.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): I should like to endorse what has been said by the right hon. leader of the opposition (Mr. Mackenzie King). It does not seem to me that it is a proper form that a general resolution of this kind, involving at least two distinct matters with very distinct principles underlying them, should be brought forward. I would hope that the motion should be divided so that we can deal intelligently with both aspects.

Motion agreed to.

BUTTER RETURNED TO CANADA

On the orders of the day:

Hon. R. C. MATTHEWS (Minister of National Revenue): Yesterday on the orders of the day the hon. member for Gloucester (Mr. Veniot) inquired as to the practice of the Department of National Revenue in recording the return to Canada of Canadian butter exported to Great Britain. For the information of the hon. member I may say that butter exported from Canada to Great Britain and returned to Canada falls within two categories:

1. Canadian butter which has been shipped to England and returned to the exporter in Canada within five years without having

changed ownership or having advanced in value, on arriving in Canada and being duly identified, a free import entry is made, under the provisions of tariff item 709; but no segregation of the different kinds of goods entered under this item is made for statistical purposes.

2. Canadian butter exported to Great Britain which has entered into ordinary commerce and has thereby lost its identity or has changed ownership or increased in value. On return to Canada this butter, subject to payment of duty would be recorded as an importation from the United Kingdom, without identification as to country of origin.

When Canadian goods are returned, whether entered free or subject to duty, the original export entry stands without cancellation. This applies to all goods, including butter. It will accordingly be apparent that so far as the Department of National Revenue is concerned it is not possible to furnish statistics with respect to the quantity of Canadian butter which may have been returned to Canada during any particular year. The practice I have indicated has been in vogue under tariff item 709 since the year 1906.

Hon. PETER VENIOT (Gloucester): I merely wish to state that I am pleased that the minister has submitted this statement. It bears out what I thought the customs law was, that no goods of any kind enter Canada, either as Canadian goods returned or otherwise, without an import entry. That is the point I wished to make.

Mr. MATTHEWS: Quite right.

ROYAL CANADIAN MOUNTED POLICE

USE OF DOGS TO LOCATE LOST PERSONS BUT NOT TO TRACK CRIMINALS

On the orders of the day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): On March 29 I asked a question with regard to the reported use by the Royal Canadian Mounted Police of bloodhounds to locate persons lost in Nova Scotia forests and to track criminals. I asked whether the full cabinet had given their consent to this method of tracking down criminals, and the Minister of Justice (Mr. Guthrie) replied that the answer was in the negative. I then asked further as to whether this proceeding had been sanctioned by the government, and the Minister of Justice replied it had not. I notice in the Montreal Herald of April 11 a dispatch from Winnipeg, as follows:

"Bloodhounds" are now being used by the Royal Canadian Mounted Police, General J. H. MacBrien, chief commissioner, said here to-day, but only for tracking purposes. Recently the matter was brought up in the House of Commons. The dogs, General MacBrien said, are not used in the manner depicted in dime novel "thrillers" and he deprecated any idea that fugitives might be torn limb from limb by ferocious canines.

My question is this: If the government does not sanction this proceeding, does Major General MacBrien consider himself above the law, or will the government take suitable action to enforce its position upon Major General MacBrien?

Hon. HUGH GUTHRIE (Minister of Justice): When the question was asked previously I stated that the government had not authorized the use of bloodhounds in connection with the Royal Canadian Mounted Police. I can repeat that statement; there are no bloodhounds used by the mounted police. I think a similar statement appeared in another newspaper, in which General MacBrien says these are not bloodhounds. I made inquiries with respect to the matter immediately after it was brought up in the house previously. There are some small dogs—they are down at Rockcliffe and can be seen by anyone—called pinschers, German dogs, and I believe there is a German sheep dog as well. Experience has shown that these are the most valuable dogs for tracing missing persons; it is said they have the most acute sense of smell of any dogs. They are little fellows; they are used chiefly for finding lost children or people who have strayed in the woods. They are not used at all in this country for tracking criminals; they are not set loose but are used exclusively on the leash. The policeman, or whoever is sent to find the lost person, takes the dog and follows it after it has located the scent. We have a few of these dogs down at Rockcliffe and we propose to endeavour to use them in finding lost or strayed persons. A number of them have been successfully used in the west, and we believe it will be of some value to have some of these dogs for the use of the force. I repeat that they are not bloodhounds.

Mr. WOODSWORTH: Then may I just ask a supplementary question. My first question was based on a dispatch concerning the annual report of H division of the Royal Canadian Mounted Police, which was tabled in the Nova Scotia legislature. I take it that that dispatch was not correct with regard to Nova Scotia?

Mr. GUTHRIE: I do not know anything about the dispatch or what was tabled in Nova Scotia. I state again that bloodhounds are not used, and that any dogs we have are being trained exclusively for the purpose of

tracking lost persons and not for criminal use at all. They are used exclusively on the leash.

AGRICULTURE—ANALYSTS' REPORT

On the orders of the day:

Mr. JEAN FRANCOIS POULIOT (Témiscouata) (Translation): Mr. Speaker, the farmers of the county of Laval-Two Mountains, more particularly those of St. Hermas and St. Eustache, have asked me to direct the attention of the Minister of Agriculture (Mr. Weir) to the following facts: They forwarded samples of clover seed to the office of the Dominion Department of Agriculture at 96 St. Catherine East, Montreal, and they are still awaiting the report of the analysts. They communicated with that office several times, but in vain. I would ask the hon. Minister of Agriculture to be kind enough to see that they get an answer as soon as possible.

Hon. MAURICE DUPRE (Solicitor General) (Translation): The Minister of Agriculture not being in his seat, I will, if my hon. friend will allow me, draw his attention to this matter, in order that an answer may be given as early as possible.

Mr. POULIOT (Translation): Thank you very much.

PUBLIC WORKS CONSTRUCTION ACT

REQUESTS FOR ORDERS IN COUNCIL NOT INCLUDED IN NUMBER TABLED

On the orders of the day:

Mr. C. G. POWER (Quebec South): I rise to a question of privilege, Mr. Speaker. On Monday, January 21, at my instance an address was passed to His Excellency the Governor General asking for a copy of all orders in council concerning public works construction under the authority of the statute of 1934. So far as I am aware all departments except the Department of Marine tabled these orders in council yesterday; those of the Department of Marine were tabled to-day.

In this connection, however, I desire to direct the attention of the Minister of Marine (Mr. Duranleau) to the fact that a number of orders in council mentioned by the minister in the course of the discussion last night as having been passed to cover certain of the public works are not included in those tabled to-day. I could give the minister the numbers in order that he might correct the return should it be found inaccurate; I could send him a list of the numbers in a moment. The important point to which I wish to direct his attention, however, is this: In connection with order in council No. 1869, dealing with the application of paint to the Jacques Cartier bridge in Montreal, the names of a number of tenderers are given, but inside in parenthesis is written "schedule attached." Presumably that schedule showed the prices submitted by each of these firms. The order in council, without mentioning the prices submitted by the tenderers, goes on to say that the lowest tenderer—who is not mentioned—did not send an accepted cheque along with his tender, and that his financial position was not satisfactory. Therefore the firm of F. J. Leduc and associates was awarded the contract.

May I point out to the minister that the schedule should be attached to this order in council in order to make it intelligible. I should be very grateful if the minister would be kind enough to inquire from his officers as to what has become of the most essential and important part of this order in council.

Hon. ALFRED DURANLEAU (Minister of Marine): In answer to my hon. friend I desire to state that all the orders in council which were tabled to-day were sent to the Secretary of State (Mr. Cahan) by my department in the usual way on Saturday last. That was my information this morning. I was under the impression yesterday that they had been tabled, but when I found that was not so they were tabled this afternoon.

Mr. POWER: They were asked for on January 21.

Mr. DURANLEAU: As to the schedule mentioned by my hon. friend, I will see that the proper information is tabled so that the order in council will be more intelligible, as he says.

Mr. POWER: And the missing orders in council?

Mr. DURANLEAU: I was told this morning by my officials that all the orders in council passed under the Public Works Construction Act had been sent to the Secretary of State to be tabled in the house. If my hon. friend thinks that there are other orders in council not included in the file, let him mention them to me and I will see that they are tabled.

Mr. POWER: With the consent of the house, in order to clear up this matter, during the course of the discussion last evening, after listening to the minister and asking him the numbers of the orders in council as he went along, I made up a list which I placed on Hansard. I asked the minister if he would be

kind enough to furnish us with a list of orders in council, but on checking over those received to-day I find that at least four or five are missing or at all events have not been tabled to-day. If the minister would be kind enough to check the list of those tabled by the Secretary of State to-day with the list he gave me last night, I think the whole matter could be arranged satisfactorily.

Mr. DURANLEAU: With the permission of the house, may I say that last night my hon. friend stated that he had in his hand five or six other orders in council which had been filed—

Mr. POWER: No, those were apart from this.

Mr. DURANLEAU: I shall be glad to make inquiries and hope to give my hon. friend a satisfactory answer on Monday.

EASTER RECESS

INQUIRY AS TO PAYMENT OF PUBLIC WORKS EMPLOYEES WHILE HOUSE NOT SITTING

On the orders of the day:

Mr. E. R. E. CHEVRIER (Ottawa): May I direct a question to the hon. Minister of Public Works. The acting Prime Minister stated the other day that arrangements had been made whereby the staff of the House of Commons would be treated during the coming recess in the same way that they have always been treated. In other words I gathered that they would get full pay and full time. Will the minister say if the same privilege will extend to the Public Works staff, to the elevator attendants and maintenance staff now employed in the House of Commons?

Hon. H. A. STEWART (Minister of Public Works): The hon. gentleman intimated to me last night the nature of his question. I have made some inquiries, and as a result I find that the employees to whom he now refers are not members of the staff of the House of Commons. They are members of the staff of the Public Works department, and they will be dealt with on this occasion in the same way they have been dealt with on similar occasions in the past.

Mr. CHEVRIER: Will the minister kindly say what that will be?

Mr. STEWART (Leeds): I do not know. I do not think they get full pay.

PRICE OF SILVER

On the orders of the day:

Mr. JOSEPH A. BRADETTE (North Timiskaming): In view of the heavy increase in the price of silver fixed by the United States I would ask the Minister of Finance (Mr. Rhodes) if any similar action is contemplated by this government, and if the present price of Canadian silver is now equal to the American price.

Hon. E. N. RHODES (Minister of Finance): I believe, as a matter of fact, that the ruling price has been somewhat below that of the arbitrary price fixed by the United States government. It will be borne in mind that the price fixed by the United States government is only with respect to newly mined silver and has no reference to silver other than newly mined, but the price for other silver has tended to rise somewhat sympathetically with the arbitrary price for newly mined silver in the United States.

Mr. BRADETTE: Then it is not the intention of the government to fix the price of silver here in the same way that we fixed the price for gold following action by the United States government with respect to the price of gold?

Mr. RHODES: A government can only make known its intention when it has arrived at any decision, in which event of course it would have to be made known. That is the only answer I can give. It is unsatisfactory I dare say to my hon. friend, but he will realize that it is the only answer that anyone speaking with responsibility can give under the conditions.

PUBLIC EXPENDITURES

On the orders of the day:

Mr. C. G. POWER (Quebec South): I should like to put a question to the Minister of Finance based on an item in to-day's Ottawa Journal, which states a telegram urging that dominion government expenditures be curtailed "at all cost" was forwarded by the Chambre de Commerce of Montreal to the hon. Minister of Finance (Mr. Rhodes) to-day, and the association also suggested the appointment of a royal commission to investigate the possibilities of curtailment. May I ask the minister if he has received any such telegram and if he is disposed to act on the suggestion made by the Chambre de Commerce?

Hon. E. N. RHODES (Minister of Finance): I have received a telegram, and, if I mistake not, have acknowledged it. Further than that I do not wish to go at this time.

SALARY DEDUCTION ACT

RESTORATION OF FIVE PER CENT OF DEDUCTION FROM SALARIES, COMPENSATIONS AND INDEMNITIES

Hon. E. N. RHODES (Minister of Finance) moved the second reading of Bill No. 53, to provide for the deduction from compensation in the public service.

Mr. E. R. E. CHEVRIER (Ottawa): Mr. Speaker, of course the passing of the second reading means the adoption of the principle of the bill. Proceeding upon the principle as I stated before that half a loaf is better than no bread, notwithstanding what the Minister of Finance might say, my colleague from Ottawa and I will not oppose the second reading, but there is one point I should like to take up. The other day the Minister of Finance in reply to a question from the ex-Minister of Justice (Mr. Lapointe) said at page 2601 of Hansard:

> I have a hope that during the recess we may be able to address ourselves to the question of statutory increases.

Then a little lower down on the same page he said:

> At all events, it will be our hope and purpose to deal with the question of statutory increases at the earliest possible moment.

My hope is further that between now and the time parliament rises the Minister of Finance will be in a position to restore the other five per cent, making a ten per cent restoration. If the minister is in a position to say now that after the recess some opportunity will be afforded us to discuss the question of statutory increases and the question of promotions, then for the time being we shall be content.

Mr. RHODES: Mr. Speaker, I only wish to say to my hon. friend that I am quite content that there should be further opportunity to discuss the question of statutory increases. I have nothing to add to the statement I made the other day. These are strenuous days and we have many very heavy problems to cope with, and it is impossible to be definite as to whether a decision can be arrived at with respect to a good many matters of major importance, but I am quite as anxious as my hon. friend that we should address ourselves to this subject during the recess, and if not, at all events prior to prorogation.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. MacDonald (Cape Breton) in the chair,

Section 1 agreed to.

[Mr. Rhodes.]

On section 2—Definitions.

Mr. BRADETTE: Is the minister aware that in some departments there have been three separate cuts of ten per cent of civil service salaries? I believe I was correctly informed when I was given the instance of a man receiving a salary of $2,400 per year. He received a ten per cent cut on April 1, 1932, which amounted to $240 and brought his salary down to $2,160. The next year he received a further cut of ten per cent or $216, which brought his salary down to $1,944. On April 1, 1933, he received another cut of ten per cent or $194.40, bringing his salary down to $1,749.60. His total cuts amount to $650.40 and based on his original salary amount to 36·9 per cent. Is it the intention of the government to take an additional five per cent from this man's original salary?

Mr. RHODES: I shall be very glad to inquire into the individual case referred to by my hon. friend but I would point out that there have not been three cuts. There has been only one cut of ten per cent. This deduction has been uniform except that last year we excluded those in receipt of salaries of $1,000 and under. This year we are restoring five per cent of the original ten per cent cut and we are raising the exemptions from $1,000 to $1,200. The Salary Deduction Act has no bearing upon such a case as that suggested by my hon. friend. The five per cent we are restoring is one-half of the ten per cent deduction, which is all that has ever been made by virtue of the act.

Section agreed to.

Sections 3 to 7 inclusive, agreed to.

Bill reported, read the third time and passed.

INCOME WAR TAX ACT

INCOME TAX OF JUDICIARY, MILITARY, NAVAL AND AIR FORCES AND POLICE

Hon. E. N. RHODES (Minister of Finance) moved the second reading of Bill No. 54, to amend the Income War Tax Act.

Motion agreed to, bill read the second time, and the house went into committee thereon, Mr. MacDonald (Cape Breton) in the chair.

On section 1—Special income tax on certain salaries.

Mr. POULIOT: There would seem to be considerable discrimination in favour of the military forces. These men receive pay and allowances and the deduction is taken from their pay but not from their allowances. Their superannuation is based upon both the

pay and allowances. I should like to know the amount of allowances paid to military officers, what they are for and why they have not been made subject to the act.

Mr. RHODES: My hon. friend will appreciate that I cannot give him a detailed answer with respect to the nature of the allowances because they have been regulated by statute for a number of years and there has been no change for a long period of time. All that I am concerned about is whether we should make the same deduction in the case of the military service as we are making in the case of the civil service. We have applied one principle all the way through in the application of this act. We do not touch allowances made in connection with the civil service except when they are deemed to be a portion of the remuneration of the position.

Mr. POULIOT: For superannuation.

Mr. RHODES: Quite so. I would take it that the allowances made to the military are not deemed to be a portion of the salary and if they are not subject to the deduction, it is because the principle has been uniformly applied. It would appear that these allowances are not made by way of salary but because of the peculiar nature of the employment. In the civil service there are certain allowances which are deemed to be a portion of the salaries for purposes of superannuation, as was pointed out the other night by the senior member for Ottawa (Mr. Chevrier). On the other hand, there are allowances which are not deemed to be part of the salaries and hitherto they have not been subject to the deduction of ten per cent. I hope I have made it clear to my hon. friend that irrespective of the question as to whether or not the allowances made to the permanent force may or may not be too large, we have done all that we can in so far as this bill is concerned, namely, apply the deduction uniformly to both the civil service and the permanent forces.

Mr. POULIOT: No doubt there is a difference between an allowance paid, say, to an engineer in the Department of Public Works who must travel around and be put to considerable expense and that paid to an officer of the permanent force for lodging, heat, light and so on. A civil servant has to pay these expenses out of his salary and it would appear that the officer is in a privileged position. I shall not press this matter further at the moment but I should like to be assured that when I place a question regarding this matter on the order paper I shall receive a full reply.

Mr. RHODES: My hon. friend will appreciate that there has been no change in the consideration of allowances paid to members of the permanent force for some time. The payment of these allowances is a question of general policy and has no reference to the uniform application of the Salary Deduction Act. The question whether we ought to consider allowances to the permanent force as a portion of the salary is another question, to be considered apart altogether from the application of this bill.

Mr. POULIOT: I always learn something when I listen to the Minister of Finance, and he has the gift of evading an answer with the greatest ability. My question was simple. I asked whether he was ready to supply the information requested if a question to that effect were put on the order paper.

Mr. RHODES: I did not make any reply to that question for the obvious reason that, subject to the rules of the house with respect to certain privileged communications, it is the right of the hon. member to receive information. That being so, if he places on the order paper a question which is in conformity with the practice of parliament, certainly it will be answered.

Mr. POULIOT: I thank the minister. I may inform him that I have been told that orders in council have been passed with regard to that matter of allowances during the past four or five years and it is in view of that fact that I ask for the information.

Mr. RHODES: I speak not only from personal information but after inquiry of one of the officials, who has an intimate knowledge of these matters, when I tell the hon. gentleman that there has been no change in the practice in this respect since this government came into office.

Section agreed to.

On section 2—Taxpayer may elect to be subject to Salary Deduction Act.

Mr. MacINNIS: It is not mentioned anywhere in the bill, but I assume that this will apply only to salaries in excess of $1,200, as in connection with other salary deductions.

Mr. RHODES: Yes; they will all be treated precisely on the same basis.

Section agreed to.

Section 3 agreed to.

Bill reported.

Mr. RHODES: I move that the bill be now passed.

Mr. DUFF: On division.

Motion agreed to, bill read the third time and passed.

ROYAL CANADIAN MOUNTED POLICE

CONCURRENCE IN SENATE AMENDMENTS

Hon. HUGH GUTHRIE: (Minister of Justice) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 9, to amend the Royal Canadian Mounted Police Act.

An hon. MEMBER: Explain.

Mr. GUTHRIE: I regret to say that the Senate has seen fit to amend the bill in respect of one clause passed last year and stricken out by the Senate, and passed again this year. It applies to three men in the mounted police who served in the South African war. The bill provided that they should be enabled to count time served in South Africa as part of service for pension purposes, but the Senate has struck out that provision. I will not press the matter. It involves only three men who are almost at the retiring age, having served thirty-five years, and they are at the top in any event. I will not press objection to the amendment.

Mr. CHEVRIER: I have no objection at all to these amendments allowing these three officers to benefit. I congratulate them on their good good fortune, but I would ask that consistency be observed throughout the service. I see no good reason why we should make fish of one and flesh of the other. There are many other changes that ought to be made in a general way, and I think that what I said some time ago has come true; there has been considerable discrimination in that regard. It would be only fair that the superannuation law should be revised so as to make it applicable to all members of the service, instead of having to change one act one day and another act another day in order to allow people to come within the purview of its provisions. These three men are to be congratulated.

Mr. GUTHRIE: But that provision has been struck out.

Motion agreed to; amendments read the second time and concurred in.

[Mr. Rhodes.]

MINIMUM WAGE

BILL BASED ON DRAFT CONVENTION OF INTERNATIONAL LABOUR ORGANIZATION AND TREATY OF VERSAILLES

Hon. HUGH GUTHRIE (Minister of Justice) moved the second reading of Bill No. 40, to provide for minimum wages pursuant to the convention concerning minimum wages adopted by the international labour organization in accordance with the provisions of part XIII of the treaty of Versailles and of the corresponding parts of the other treaties of peace.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. MacDonald (Cape Breton) in the chair.

Mr. GUTHRIE: The bill is drawn pursuant to the draft convention of the general conference of the international labour organization of the League of Nations, which convention has been adopted by this house during the present session. The bill professes to follow as closely as possible, having regard to the situation, the draft convention which was submitted, and the plan under the bill is, briefly, to appoint a committee to consist of a minister, being the Minister of Labour, a representative of the employer and a representative of the employees in each particular trade, to fix a minimum wage to be paid in respect of that trade throughout the dominion. The treaty itself provides that the bill shall not become operative until after the lapse of one year after its deposit at Geneva, and a special clause is inserted to provide that in the interval before it becomes law, in any exceptional case, the governor in council may provide a minimum wage after having made inquiry as set out in the terms of the bill. Otherwise I think the bill follows pretty closely the language of the treaty which was approved by the house at the present session.

Mr. POULIOT: I have listened to the minister's explanation with regard to this bill. I wish to assure hon. members that I am among the first members of the house who have studied the question of minimum wages. I did so away back in 1928 with the assistance of Hon. Peter Heenan, Minister of Labour at that time, and also the very valuable help of my revered leader, because I was just starting to make a study of statistics and very often I had to go to the right hon. gentleman for advice. I wish to express my thanks to him in that connection.

This bill is supposed to be based upon a draft convention which appeared on the orders

of the day of March 11 of this year. It is a draft convention and just a moment ago I heard the Minister of Justice repeat the statement that it was. I have asked for the book in which that draft convention could be found and my first question was to the acting Prime Minister. My question was asked on March 11 last, as reported on page 1573 of Hansard, and the fact that the right hon. gentleman had time enough to think before answering me is apparent in that the answer was given on the following day as reported on page 1616. He read an answer in which it was stated:

> The texts of draft conventions and recommendations adopted by international labour conferences are not printed in the official journal of the League of Nations but are to be found in the official bulletin of the international labour office where, on page 121 of the issue of the 31st July, 1928, he will find the text of the convention concerning the creation of minimum wage fixing machinery.

This was not in the journals of the League of Nations. I have the official bulletin referred to by the right hon. gentleman, and at page 121, the page he mentioned, there are only three lines and four words, as follows:

> Minimum wage fixing machinery.

And they refer to another booklet entitled:

> Second discussion; international labour convention; eleventh session, Geneva, May, 1928; report on minimum wage fixing machinery; first item on the agenda; international labour office, Geneva, 1928.

This booklet, which has 149 pages, I have procured from the library.

On March 19, a week after I had received the answer from the acting Prime Minister, the Minister of Justice referred me to another book which he was kind enough to lend me, but it was not the book mentioned by the acting Prime Minister, nor the one that I hold in my hand. He mentioned another book, and he brought into the matter a dark horse, a third book which contained draft conventions; in fact it was called, Draft Conventions and Recommendations Adopted by the International Labour Conference at its sessions from 1919 to 1932.

But the most important point that I wish to stress is this: that the acting Prime Minister, the present leader of the government, has referred me to the page of that booklet, the official bulletin of the international labour office of July 31, 1928, which refers to the book already described that I now hold in my hand, this one containing 149 pages. This means that this book is the basis of the legislation which is now before us. The importance of this is the way in which this country has answered the questions which have been put by the international labour conference. These are several questions which appear on page 2:

> Principle of the creation of machinery and scope of its application.
>
> 1. Do you consider that the conference should adopt proposals dealing with methods of minimum wage fixing in home working and other trades or in parts of such trades in which:
>
> (a) No arrangements exist for the effective regulation of wages by collective agreement or otherwise, and
>
> (b) Wages are exceptionally low?
>
> 2. Do you consider that a definition of (a) home working trades, and (b) other trades, should be included in any proposals which may be adopted by the conference? What definitions do you propose?
>
> 3. Do you consider that it is for the government of each country to decide, having regard to the conditions of the country, which are the home working and other trades covered by question one?
>
> 4. What criteria (if any) would you propose to adopt for determining in which trades there are:
>
> (a) No arrangements for the effective regulation of wages;
>
> (b) Exceptionally low wages?

There are first answers from Austria and Belgium, then the answer from Canada. Was it given by the Canadian government? No, It was given first by British Columbia; second, by Manitoba; third, by Ontario and, fourth, by Quebec. This means that the government of that day, respecting the ruling of the Supreme Court of Canada, had decided not themselves to answer the question on behalf of the federal government, but to submit the questions to the provinces, and then the answers were sent back to the federal government and later forwarded to Geneva. This shows that the former Liberal government respected the confederation pact and acted under its provisions in regard to this important matter.

This is not the only question which was asked. There are several others, and I shall read a few of them to show that the former Liberal government were sincere in saying that when those matters were to be settled, they had to be settled in conformity with the law of the land. Another question is as follows:

> Question 5:
>
> Basis for fixing minimum wages.
>
> Do you consider that some provision should be made for a basis for fixing minimum wages? If so, what basis do you suggest?

This is answered by Austria, Belgium, Canada. The answer for Canada is given by British Columbia, Manitoba, Ontario, Quebec, as reported on pages 38 and 39 of this book.

Other questions of similar importance come afterward:

Determination of the minimum wage fixing methods.

6. Do you consider that the conference should:

(a) Lay down the method or methods upon which the minimum wages should be fixed? If so, what method or methods do you propose? Or

(b) Confine itself to laying down general principles? If so, what principles do you suggest?

7. If not, do you consider that it is for the government of each country to decide, having regard to the administrative practice of the country, the method or methods to be introduced in fixing minimum wages in the home working or other trades covered by question one?

This is answered by Austria, Belgium and Canada. For Canada the answer is not given by the federal government. It is given for Canada by the provinces of British Columbia, Manitoba, Ontario and Quebec. And there are other questions of some importance with regard to the same matter; question 8 on page 52:

Do you consider that any such method should make provision for full preliminary consultation with representatives of the trade concerned, including representatives of organizations of employers and workers (if any), and with any other persons specially qualified by their trade or functions to be usefully consulted?

Answered for Canada by British Columbia, Manitoba, Ontario and Quebec.

9. Do you consider that employers and workers should be represented on the wage fixing body? If so, do you consider that they should be represented in equal numbers?

10. Do you consider that any minimum wage fixing body should contain an independent person or persons?

11. What methods do you consider should be adopted in selecting and appointing:

(a) the representatives of employers and workers;

(b) the independent person or persons?

Answered for Canada by the four provinces already named.

12. What systems of inspection, general supervision and enforcement do you propose for insuring the payment of wages in the trades concerned at not less than the rates fixed?

The same answer, by the four provinces already mentioned.

13. Do you consider that the government should communicate to the international labour office, either in the annual report furnished in accordance with article 408 of the treaty or otherwise in the case of a recommendation, the list of trades in which the system of fixing minimum wages has been applied, together with the approximate number of workers covered, and a general statement on the minimum rates of wages and other conditions established in the trades concerned?

[Mr. Pouliot.]

The same answer for Canada by the four provinces already mentioned.

14. Do you consider that the conference should proceed by way of a draft convention or a recommendation or both? If the latter, in what respects should either form of decision be adopted?

The same answer for Canada by the four provinces already mentioned.

Then there is a general survey of the question in the light of the replies of the governments. But the government in this instance was not the federal government, it was each provincial government. Some of them did not answer, but the answers which were given were in accordance with the ruling of the supreme court of this country. It is all very well to say, "We will change the social order." The social order cannot be changed so easily as that; it cannot be changed by the will of one man, however powerful he may be. It is a matter of great importance that things be done rightly; no one can escape the obligation to follow the right path. It would have been easy for the previous government to pass legislation such as this, but it was repugnant to their sense of duty to the people of this country. I believe in minimum wages; I have advocated them, and it was after the statistics which I compiled were submitted to this house and studied by the Minister of Labour of the time, who was very earnest in that regard, that an act was passed by this parliament to establish minimum wages for the men employed directly by the federal government. The federal government could not go further than that on account of the ruling of the court.

Sir, I am strongly in favour of minimum wages being applied throughout the country from one ocean to the other, and the sooner it becomes a reality the better. But if it comes it must come to serve a useful purpose, not to deceive the people. As this legislation is drafted it rests upon nothing. The very fact that it is based on the report which I have just read shows that this parliament has no jurisdiction at all in the matter. The very basis of it is the reference which has been given by the acting Prime Minister. It is most interesting to go to the rock bottom of things; there we find the truth, but at times it takes a lot of digging and excavation to discover it. When the truth is discovered no one can do otherwise than fight for it. The truth is that this legislation is built on sand, on the sand of deceit. I know very well what will happen in the next election; hon. members to your right, sir, will tell the working men of this country, who are exploited: "Here we are to save you with new legislation which will increase your wages." But as soon as a

manufacturer attacks this legislation before the courts, the judiciary will do the same work as I have done; he will go to the bottom of it—if he does not he will not fulfil his duty—and he will see that this parliament has no jurisdiction whatever in this matter. Sir, that is a very serious statement to make; I make it only after having gone to the source of this legislation as presented by the acting Prime Minister. There may be some harebrained clerks in the civil service who pretend to do more than they are capable of, who bring to this government half-baked legislation, telling them that they have gone through all the previous legislation, but that serves no useful purpose. It is only deceit, and those men who have drafted this legislation deserve to be discharged at once, because it is bad, it is not even sensible, it rests on nothing and is just misleading to the working men of this country.

The government complain that there have been profiteers who have taken advantage of the working men in order to pay small wages. I admit that. But who protected these manufacturers by high tariffs since 1930? The government have done the same as the packing business; they have been fattening hogs since 1930, and now that the hogs are fat they try to kill them. We heard the Prime Minister declare at the special session of 1930 that as a result of raising the tariff there would be no unemployment in this country. The reason the tariff was raised was to decrease unemployment, we were told. What was the result? To-day the figures of unemployment are astounding. We have not yet got the whole truth in that matter, but we shall get it, and we shall see that it is most important to follow the right path of law and jurisprudence in order to do something for the working men of this country who need help. But the very best way to come to their assistance is to take some advantage of interprovincial conferences or the occasions on which the representatives of the Department of Labour have to meet the representatives of labour in the provinces and discuss these matters with them in order to come to mutual understanding.

There is something else which strikes me. According to the British North America Act the federal parliament has exclusive jurisdiction in certain matters; the provinces have exclusive jurisdiction in others. Both of them are masters within their own bounds; they are not subject to interference from the other side. What has been said here—and I regret to be unable to agree with it—is that when the provinces have exclusive jurisdiction and this parliament has no jurisdiction at all; when on the other hand this parliament has exclusive jurisdiction and the provinces have no jurisdiction at all, although according to our constitution neither has jurisdiction in the other field, when they meet together they say, "Well, there has been an agreement about it," and it is considered just as though they had concurrent jurisdiction.

Surely the Minister of Justice has had too much parliamentary experience to insist on this legislation any longer. In addition, after having read the summary of the report of the price spreads committee as it appeared in the press, I submit that this legislation would have to be changed in order to meet the recommendations contained in that report, if it is accepted. To me it is astounding that such a tree should grow from such a seed.

Section agreed to.

Sections 2 to 5 inclusive agreed to.

On section 6—Regulations.

Mr. MALONEY: In connection with this section, a week or two ago a former president of the Weekly Newspapers' Association of Canada drew to my attention the fact that the weekly newspapers are the training ground for printers of all classes throughout our country, and he mentioned the fact that the apprentice starts in and must spend three or four years at the work before he becomes competent. Surely the minimum wage should not apply in that case. I notice that subsection (c) reads as follows:

> —authorize the minister to permit an employer to pay wages less than the minimum rates of wages in the case of a worker who, by reason of his age, infirmity or inexperience, is incapable of doing the work of a competent worker.

It will be understood that an apprentice, who is employed for the same hours as the regular employee, really is not entitled to nor can he earn the same rate of pay. I should like to ask the minister if the subsection to which I referred meets the situation about which I was consulted.

Mr. GUTHRIE: I think it is intended to meet circumstances of that kind. My hon. friend read subsection (c) of section 6. Under section 2, the definition of a worker is, "a male or female worker over the age of sixteen years." I think exceptional cases might arise in which exceptional treatment must be given, such as the case cited by my hon. friend.

Mr. MacINNIS: There is some confusion in my mind as to how the minimum wages are to be set, and who is to be authorized to

set them. Under section 4 the governor in council may set up a committee consisting of the minister and a person representing employers and a person representing workers.

Mr. GUTHRIE: I fancy my hon. friend did not listen when I explained that point. That is a special section. This act cannot go into force until one year after the treaty is deposited at Geneva. There is to be a hiatus, and during the year it may become necessary to fix minimum rates before the board authorized by this act has any authority, so for that year power is given the governor in council.

Mr. MACDOUGALL: In any given community will the minimum rate be the prevailing rate?

Mr. GUTHRIE: The minimum rate will be the lowest wage that may be paid in the particular trade or occupation, but if in any province the standard is higher than that fixed under this act, the higher provincial standard shall apply.

Section agreed to.

On section 7—Inquiry by minister as to minimum wages required.

Mr. MacINNIS: This section states:

> The minister may at any time on the application of representatives of employers or workers conduct an inquiry as to the minimum rates of wages required to enable a worker to obtain the necessities of life according to a decent standard.

Who is to define a decent standard of living? Will the government define the income necessary for a decent standard of living or will that be left to the committee that sets the minimum wage?

Mr. GUTHRIE: On the committee there will be a representative chosen by the workmen and a representative of the employers. If the minister has any doubt about it he may appoint a commission to inquire into what is a fair standard of living, under the Inquiries Act.

Mr. WOODSWORTH: I have been trying to connect up this section with section 6 (a). Suppose one district differs very materially from other districts; suppose in one district the cost of living is lower than in another. Will there not still be a minimum wage for that area in which the cost is lower?

Mr. GUTHRIE: Yes, that is provided for, Geographical areas are provided for in section 6 (a). Undoubtedly there may be districts in Canada in which a trade is carried on under very different conditions and where standards are very different from those in other districts. These may be taken into consideration by the commission fixing the standards and the wages in those districts.

Mr. WOODSWORTH: My understanding was that such an area might be excepted, but in the case of such exception is there not still a minimum that will be required in that area?

Mr. GUTHRIE: There is; that area will have a minimum.

Section agreed to.

Sections 8 to 10 inclusive agreed to.

On section 11—Provincial rates to prevail if higher than relevant rates under this act.

Mr. MACKENZIE KING: I should like to ask the minister a question at this point. This section recognizes that the provinces may have minimum wage boards and that they have the right to fix minimum wages. Is it now to be understood that the government take the view that there is concurrent jurisdiction with respect to the fixation of minimum wages, as between the dominion and the provinces?

Mr. GUTHRIE: No, that view will not prevail when this bill becomes law. My opinion and the opinion of the government is that when this bill becomes law it will override any provincial minimum wage law in Canada, under our treaty making power. But the bill recognizes that should a legislature or commission in any province fix a minimum wage, they being in a special position to understand what the minimum wage in that province should be, if the standard they have adopted or fixed is higher than the standard which might be fixed under this bill, the provincial standard shall be the minimum wage under this bill; that rate shall be adopted under this bill. It is not a recognition of jurisdiction.

Mr. WOODSWORTH: If the provincial rate is lower, what happens?

Mr. GUTHRIE: Then this bill prevails.

Mr. MACKENZIE KING: Agriculture and immigration are mentioned in the British North America Act as subjects on which both the dominion and the provinces have the right to legislate, and there would be no question as to concurrent jurisdiction there. It would seem that the government is assuming the same position here with respect to labour.

Mr. GUTHRIE: No, that is hardly the meaning. I realize that the provinces, if they have fixed a standard, are likely to know

the conditions in that particular area, and if in the judgment of that particular province a higher rate is suitable to that locality than is prescribed by any board under this bill, that higher rate shall be the minimum rate under this bill. It is not recognizing jurisdiction. It is merely accepting the provincial view as the proper view as to conditions in that province.

Mr. MACKENZIE KING: Recognizing that there is that possibility of conflict of view as to what would constitute the fairer minimum wage as between the rate fixed by the dominion and the rate fixed by the province, and that some question therefore may arise, as to federal legislation over-riding that of the provinces, has the minister or the government thought of taking an opinion from the supreme court as to whether or not this particular measure is intra vires of this parliament?

Mr. GUTHRIE: No. The government is satisfied that it is within the power of this parliament, if for no other reason, under its treaty making power, having adopted the convention. I listened with attention to my hon. friend from Témiscouata (Mr. Pouliot) on that question, but the argument has been gone over so frequently that I did not think it necessary to repeat it. The view of the government is that having adopted the convention we have all power to carry it out.

Mr. MACKENZIE KING: I may say that our view has been expressed on the convention itself and in subsequent statements on this social legislation, and that is the reason we have not spoken of it further.

Section agreed to.

Preamble agreed to.

Bill reported, read the third time and passed.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

PRIVATE BILL

SECOND READING

Bill No. 56, for the relief of Emma Gelfman Goldman Stokolsky.—Mr. Heaps.

THE CANADIAN AND BRITISH INSURANCE COMPANIES ACT, 1932

Mr. G. G. COOTE (Macleod) moved that the house go into committee on Bill No. 13, to amend the Canadian and British Insurance Companies Act, 1932.

Motion agreed to and the house went into committee, Mr. Morand in the chair.

On section 1—Surrender of policy.

Mr. WHITE (Mount Royal): I move that the word "six" be substituted for the word "five."

Mr. COOTE: The present insurance act does not set any maximum rate of interest which may be charged by a company on policy loans. The old act which was in force prior to 1932 provided for a maximum rate of seven per cent but when that act was amended in 1932 that particular section was left out. The companies are now free to charge any rate which may be stipulated. The rates charged on policy loans have varied all the way from five to ten per cent, according to a statement made in committee by the superintendent of insurance. Many companies have been charging seven per cent on their policy loans, while others have been charging six per cent. In a number of cases an extra charge of four per cent is made for loans automatically advanced under the non-forfeiture clause which appears in most of the policies issued by Canadian companies. This bill will not affect loans of this character. Counsel appearing for the Life Insurance Companies Association argued that the inclusion of a section of this kind would be unconstitutional. While I was not much impressed with that argument, I think the majority of the members of the committee were, and to avoid any possibility of this being considered unconstitutional, loans advanced under the non-forfeiture clause were not brought under the provisions of this bill.

In order that the members of the committee may realize the importance of this matter, I would point out that policy loans now outstanding in Canada amount to something like $250,000,000. A saving of even one per cent to the policyholders who have borrowed would amount to $2,500,000 per year. I think it would be just as well if I placed on record the amount of loans outstanding in the different years from 1926 to the present time. They were:

1923	$ 81,316,648
1924	90,298,571
1925	98,780,875
1926	108,550,314
1927	119,735,561
1928	133,697,625
1929	159,353,195
1930	188,723,474
1931	218,579,939
1932	244,163,978

I am sorry I have not the figures for the last two years, but I think the totals are slightly larger. As I said before, the loans outstanding at the present time are around $250,000,000. Loans of this kind are made on the best security which any life insurance company could have. The company cannot

possibly have a loss. There is no other form of investment open to companies to-day on which they can make six per cent, the rate asked for in the amendment moved by the hon. member. Last year, I believe, the largest life insurance company in Canada earned 4·08 per cent on their investment. That was the average rate. If that is all they can earn, why should the policyholder be charged a rate practically two per cent in excess of that? On dominion government bonds they cannot earn more than three per cent; and if you take into consideration the cost of administration, there is no other class of investment on which they can earn more than five per cent. Real estate mortgage is the only class of loans on which they can get a better rate than five per cent, and if you deduct the cost of operations you will find that to-day they cannot possibly get a return of even five per cent. I have here an article written by the assistant treasurer of Canada Life Insurance Company appearing in Canadian Insurance of February 12, in which he says that at the present time three per cent is about all the companies can earn on dominion government bonds. On British government bonds they can get a yield of approximately two and a half per cent, and on United States bonds less than three per cent. He goes on to say:

> Insurance contracts require a certain definite rate of interest to be earned each year, in order that the policy reserves may be built up, which are necessary to make possible the payment of death claims and other policy payments as they fall due. In some companies, the rate of interest which must be earned to guarantee these benefits is three per cent, and in other companies it is three and one-half per cent.

I think that is clear proof that the company does not need a rate of interest in excess of three and a half per cent. When the banking committee, after considering the matter carefully, fixed the rate at five per cent, I certainly think the committee would be well advised to pass it at that rate or even lower. Certainly there is no justification for the members of this house allowing the insurance companies to charge policyholders a rate of six per cent.

One of the main reasons given against this bill in committee was that policyholders would borrow too much from the companies if the rate were reduced to five per cent. That argument is absolutely unsound and is not borne out by the facts. It was stated that if the rate was as low as that the policyholders would borrow against their policies in order to obtain money with which to speculate. Well, in the years when speculation was rife in Canada, from 1926 to 1929, policy loans increased, as I stated, from $108,000,000 in 1926 to $119,000,000 in 1927—not a large increase. They jumped to $133,000,000 in 1928, not a large increase, and in 1929 to $159,000,000. That was not a large increase either. In the deflation years which followed they quickly climbed up to $250,000,000. There was an increase in the amount borrowed by policyholders during the years from 1926 to 1930 of approximately, I should say, fifty per cent; but that does not at all correspond to the increase in the amount of insurance carried by the people of Canada during those years. That increased very much more rapidly than the loans which were taken out by policyholders.

The other argument advanced in the committee was that in a time of stress policyholders would borrow so much from the company, if the rate were as low as five per cent, that they would bankrupt the company; there would be such a run on the company that they could not find the funds. That is a preposterous idea. Only one-third of the policyholders of Canada are borrowers; the other two-thirds do not need to borrow, and if they did, I cannot possibly imagine that any life insurance company's manager would suppose that all the policyholders would want to borrow to the limit of their policies. But any money that any company has invested in a loan to a policyholder is, I submit, much safer than are a good many of the investments which the companies themselves made in the years 1927, 1928 and 1929. Anyone who reads the insurance bluebook will see many investments which are not worth more than fifty per cent of the money put into them. The money would be much safer invested in the form of loans to policyholders than invested, for instance, in a head office building in Montreal at a cost of over $20,000,000. It would be much safer than certain investments made by one of the largest life insurance companies operating in Canada and the United States, which has a mortgage of $27,000,000 on the Empire State building in New York and $56,000,000 on Radio City building, New York. Another one, through a mortgage, has become the owner of one of the largest night clubs.

Mr. HANSON (Skeena): Is that the Mutual Life?

Mr. COOTE: That is the Metropolitan Life. I do not want to take up too much of the time of the committee, because I do not want to delay the passage of my own bill.

I say to hon. members, however, that we have a duty to perform to policyholders who find themselves in the position of having to borrow to maintain their policies. The higher the rate of interest charged them on these loans, the sooner will their reserves be eaten up by interest on their loans.

One other argument which I may anticipate was advanced by some hon. members. It was stated that, only one-third of the policyholders being borrowers, by limiting the rate of interest to five per cent—the average is something over six per cent—it would be cutting down the profits of the policyholders who do not borrow. I do not think that is an ethical argument. Surely the policyholders who are not borrowers from the company should not want a profit at the expense of any policyholder who is only borrowing against an amount that is guaranteed to him as a loan value under his policy. If the insurance companies can earn only three per cent on high grade dominion government bonds, why should they want more than five per cent from a policyholder when he wishes to borrow a few dollars?

I hope it is not necessary to say anything more to this committee to convince them that when we set a maximum rate of five per cent interest to be charged by insurance companies against loans by policyholders, we are certainly being very liberal so far as the life insurance companies are concerned. Surely the companies exist for the benefit of the policyholders.

Mr. HANSON (Skeena): What is the percentage charged now on the average by insurance companies?

Mr. COOTE: I do not think I can give that information, but I have here an article that appeared in Canadian Insurance, written by an insurance man, in which he says that their earnings from loans to policyholders, taking all the companies, average something over six per cent.

An hon. MEMBER: Is that Canadian and American?

Mr. COOTE: No, that is Canadian business. There is one other point I should mention, and that is that the life insurance companies control practically as large an amount of the savings of the Canadian people as do the chartered banks, and the rate of interest they charge is a determining factor in the general interest structure in this country. We cannot allow it to remain so high. One of the factors retarding the recovery of business in Canada is the high interest rates charged, and I submit that one of the best things the committee can do is on every possible occasion to insist on lowering the interest rates. Here is one place where we have the right to interfere and to say that on loans to policyholders the maximum rate of interest should not be more than five per cent. I think, as I said a moment ago, we are very liberal to the insurance companies when we fix the rate of interest at five per cent. A good many members have expressed to me the opinion that the rate should be four per cent. I did introduce the bill with a four per cent rate, but I judged from the discussion which took place in the committee that perhaps I would be wise to accept a compromise on the amendment moved by the hon. member for Welland (Mr. Pettit) which sought to fix the rate at five per cent. I hope this committee will see fit to reject the amendment which has been moved by the hon. member for Mount Royal (Mr. White), and to pass the bill providing for a rate of five per cent.

Mr. McKENZIE (Assiniboia): I am heartily in support of the mover of this bill and against the amendment to make the rate six per cent. I take this attitude, because I feel the high rate of interest that has prevailed particularly in the western parts of Canada is one of the main causes of the difficulty in which many of our people find themselves; a good deal of the distress is due to the fact that they have had to pay such high rates of interest. Of course I can understand that on a farm mortgage there is a certain amount of risk, and probably for that reason there is some justification for the rates being a little higher than on other types of loans. But in such a case as this where a man is really only borrowing back a part of his own money, it seems to me that the insurance company will take precautions not to allow him to borrow enough to introduce any very great risk. I think, as the sponsor of the bill has said, we are very generous to the life insurance companies in allowing them to charge five per cent. I would have supported him even had the rate been left at four per cent, for the simple reason that there is very little, if any, risk in connection with loans made under these conditions. I am not going to delay the committee any longer except to say that I heartily support the bill providing for a rate of five per cent, and I will oppose the amendment that has been moved in connection therewith.

Mr. DONNELLY: The general rate of interest in the Dominion of Canada for the past four or five years has in my opinion been quite out of line with everything else; interest

rates have been absolutely too high. I remember back in 1928 and 1929, when we in the west were getting $1.50 a bushel for our wheat, we were paying seven and even eight per cent interest for money, but to-day when we are getting somewhere in the neighbourhood of sixty cents a bushel for our wheat, we are still paying these high rates of interest.

The same thing applies to wages. Back in 1928 and 1929 I was paying from $5 to $7 a day for a man to work in the harvest field and paying seven or eight per cent interest for money. To-day a man cannot get a job in a harvest field for $1 a day, but we are still paying the same high rates of interest. The price of labour and the price of commodities have come down, but that for money has not, and it is time it should be lowered so as to be somewhat on a parity with the price of everything else.

I am well aware that in order to reduce rates of interest we must begin with our main securities such as our federal, provincial and municipal bonds, and lower the rates on them. After we do that we shall have the rates on mortgages and on private loans from banks and other corporations come down in proportion. But a loan from an insurance company is the best risk there is in the country; there is no other loan that is as secure as that lent by an insurance company. It is really lending a man his own money; in every case a man has paid his money into the insurance company, and when he finds himself in difficulties he asks it to lend him a little of his own money. The insurance company is in no danger whatever of losing that money. Such a loan is better than federal, provincial or any other kind of bonds, and the rate charged by insurance companies should be in some way comparable with rates on federal and provincial bonds. Some will say: If you begin to allow a man to borrow on his insurance he will use the insurance companies instead of the banks. Well, people did not do this years ago in western Canada. At that time money could be borrowed from life insurance companies at six per cent, but although we were paying seven, eight, nine and even as high as ten per cent interest for money, we continued to borrow from the banks and did not go to our insurance companies for loans. Why then should we fear that the insurance companies will be used as lending concerns? There is no danger of that. A man does not borrow money on his insurance unless he is having very hard times and is right up against it. The only time he borrows money from insurance companies is when he needs the money in the worst possible way.

[Mr. Donnelly.]

I am heartily in agreement with this bill. I say that the rate of interest should be even lower than five per cent; it should be reduced to four per cent so that it may be in some way comparable with the rate of interest on federal bonds. Formerly the rate on loans by insurance companies was six per cent, but there is a service charge on top of that. Many of the companies were charging six per cent and two per cent in addition for service. One of the biggest insurance companies in the dominion was charging six per cent for the loan and two per cent for service; some were charging as high as four per cent for service, making the rate of interest ten per cent. This is outrageous and it is time that this practice should be checked. We have to begin somewhere to reduce the rate of interest. In the banking and commerce committee two years ago we discussed the whole debt structure of the dominion. Where did we get? We got nowhere; we did nothing; we came back to the house, and all we had was some nice literature describing the financial condition of the provinces and the dominion. But we did not do anything, and it is high time that a beginning was made somewhere. We might as well begin with our main, first class securities, such as insurance loans where we are borrowing money on our life insurance to tide us over times of difficulty and distress. If we cannot borrow that at a lower rate of interest, it is time we should, and I am heartily in agreement with the reduction in the rate to five per cent and even lower.

Mr. STEVENS: May I say a word before the question is put, the question being I believe to raise the rate indicated in the bill as it comes from the banking and commerce committee from five to six per cent? I am sorry I cannot support the amendment which has been moved. I shall support the figure in the bill as it comes from the banking and commerce committee, namely five per cent. In doing so, I should like to outline briefly a few reasons why I do that. I think it is clear to every thinking person, I am sure it is clear to every hon. member, that the greatest problem in Canada to-day is the burden of debt. In a broad, general way that includes federal debt, provincial debt, municipal debt, bonded or mortgage debt of corporations, mortgage debt on farm and city property. The burden of that, if one had time to examine it, is terrific.

That burden of debt may be lightened in a number of ways. One way of doing it is by reckless inflation. That has the effect of lightening debt. I do not hold with that method. Another way is to lower the rate of interest. I have said elsewhere, and I

should like to say it here, that in my opinion the large financial corporations, which include banks, insurance companies, trust and loan companies and mortgage companies, have not during the past few years given sufficiently sympathetic consideration to the fact of the weight of debt upon the people. I believe, sir, that had they done so, much in the way of compromise might have taken place. It is true that this parliament has passed one or two bills having for their object the lightening of the weight of debt or the adjustment of debt—between farmers and their creditors. To the extent that such measures are operating, certainly they are welcome, and I entirely endorse them. But they are not sufficiently broad or sweeping in their character. I believe, and I stated in the banking and commerce committee the other day, that in the absence of a policy on the part of the controllers of credit in this country consciously directed to that end this parliament ought to take such action, drastic or otherwise, as it can take to lower the interest rate in this country. One step they can take is to lower the rate of interest charged by insurance companies on loans on policies. I concur in what has been said by one or two other hon. members who preceded me, that this is the policyholders' own money, and that the security is the best because they are lending to their creditors; therefore the rates should be low.

Let me deal with one or two arguments that are advanced in opposition to this view. One argument was very ably and effectively advanced before the committee by Hon. Newton Wesley Rowell, the advocate who presented the case for the insurance companies. He argued that the rate ought to be on a commercial basis. He used that term. I asked him, what was a commercial basis? Well, he said, the rate at which the banks lend money. Then he also added this—I am subject to correction if anyone thinks I am misinterpreting his words—he argued that a few years ago, when many of these insurance loans were made, dominion bonds sold on a basis of five to six per cent, therefore it was right that the rate on policy loans should be six per cent. But to-day dominion bonds are on a basis of between three and three and a half per cent. If it was fair and commercially sound to lend money on insurance policies at six per cent when dominion bonds ranged from five to six per cent, then surely it is reasonable to say that, dominion bonds having come down to three per cent, which establishes a commercial rate for those bonds, the rate of interest on loans on insurance policies should also come down correspondingly. But this bill does not suggest that it come down correspondingly; it reduces it not at the same ratio that dominion bonds have fallen, but merely to five per cent.

Another argument advanced was that such lower rate would draw business away from the banks. My answer to that is a very simple one. I am firmly of the opinion that commercial loans by banks ought to be at five per cent to-day. I think it is necessary for the health of the business of this country that commercial loans should be made at much lower rates than they are. I know of cases where certain strong institutions other than banks, large corporations that have excess funds, are actually lending them, when it is in connection with their own business, at five per cent, but their competitors find that they have to pay the banks six per cent, and in some cases seven per cent. In my opinion there is no excuse, under the conditions which have prevailed in Canada for the last three years, for the rate for sound commercial paper being higher than five per cent. My answer, therefore, to the argument as to the danger of drawing business away from the banks is a suggestion to the banks that their prime paper commercial discount rate should drop to five per cent.

Then, as intimated a few minutes ago by the hon. member for Willow Bunch (Mr. Donnelly), the suggestion was made that if the rate be lowered to five per cent the tendency would be for the policyholders to flock in and borrow money and thus jeopardize the insurance placed for the protection of their families. My answer to that is a clear and definite one. Salesmen for these insurance companies are taught and urged to use as one of their strong selling points the fact that the insured can borrow money from the company on their policies. Consequently the point I would make is that it is a contractual arrangement between the company and the insured that they can and may at any time borrow on their policies, of course within the ambit of the rules set forth in the policy. It is therefore no argument to say that a large number of people may come forward to borrow and perhaps jeopardize the financial stability of the company. I submit that that possibility is one that the companies must provide for at all times. Furthermore it is not likely that there will be a very much greater demand for loans at five per cent than at six.

Some will argue that the rates of some companies are much higher than six per cent. Some companies had rates as high as ten per cent. That, sir, should never be

allowed. It was admitted by the representatives of the companies the other day that a rate of six per cent certainly should be fixed.

Mr. CHAPLIN: It was only on automatic loans that the rate of ten per cent was charged.

Mr. STEVENS: Well, I am not quite sure of that. The chairman of the committee reminds me that the ten per cent rate was only in connection with automatic loans, where there was an additional two per cent or in some cases four per cent added. He is quite correct in that, except that I believe there were a few companies—I think they were in the minority—which charged eight and ten per cent. However, I stand corrected by my hon. friend. The point is that many companies did charge rates higher than six per cent, and it was admitted that those rates were not sound. However, I make the point that when the policy is sold to the insured it is a part of the contract that the policyholder may borrow as and when he wishes within the terms of the policy.

I suggest to the committee that in the passing of this bill we shall do no serious injury to the companies. It will simply bring forcibly to their attention the necessity of addressing themselves to the general lowering of interest rates so far as they are concerned. I have at hand a number of illustrations of insurance company loans of different classes, but I shall not deal with them tonight; it would take too long. I would add just a word in connection with what an hon. gentleman said a moment ago. The insurance companies have grown into such a strong position in connection with the finance and credit of the country that they are, not a dominating factor, but one of a very few dominating factors in this respect. These are the choicest of all securities, and unless these interest rates are lower than six per cent there is very little hope for a general lowering of interest rates in this country. I urge this committee and this parliament to give careful consideration to the recommendations of the banking and commerce committee and to allow this bill to pass as it came from that committee, with the five per cent rate.

Mr. STEWART (Edmonton): Not being a member of the banking and commerce committee I did not have the advantage of hearing all the evidence produced, and I do not rise to argue for or against the interest rate recommended by the committee. I rise for another purpose. From what little I know of life insurance I should like to see borrowing against policies prohibited except for the purpose of carrying the premium. I think if I had time this evening I could prove to the committee that in a great many cases where borrowings are made by the policyholders it means the eventual cancellation of the policies.

Mr. CHAPLIN: Nearly always a lapse follows a loan.

Mr. STEWART (Edmonton): I say I have not the statistics under my hand to prove that, but in the long run the family of the policyholder is the sufferer. I have no objection in the world to loans being made at a reasonable rate of interest in order to carry the premiums if the insured are unable to meet them at due dates, but the practice that has grown so rapidly within the last three or four years of borrowing heavily against policies in my opinion has been absolutely disastrous to those whom the insured sought to protect, and after all that is the only purpose for which insurance should be issued. It may be that rates are too high; I am not dealing with that at all. I would support my hon. friend in a moment if he added to his bill—though he has not done so—a total prohibition against borrowing on life insurance policies except for the purpose I have mentioned. I know that my hon. friend who has just taken his seat argues that bond interest is somewhere between three per cent and four per cent and that the interest on borrowings on life insurance policies should be at a like rate, because of the security behind the loans. There is no question about that, but there is this point. I think much can be said for a rate of interest commensurate with other borrowings, if you are to borrow against these policies. However, I do not desire to delay the committee. So far as I am concerned from now on I am going to advocate the abolition of the right of insurance companies to lend on policies. I want to repeat that from what little I know about insurance I have become convinced that except for the single purpose of maintaining the policies in force, loans should be prohibited, or the companies should be prohibited from lending on policies for commercial or other purposes, for the reason I have mentioned, that in a great many cases, far too many, in the long run, the beneficiaries are the losers.

Mr. LOUCKS: I wish to say just a word in support of this measure. I think enough has been said already to convince the committee that we should endorse the recommendation of the banking and commerce committee. We

seem to be almost unanimous on this point, but after listening attentively to some of the arguments advanced as to why this interest should not be lowered to five per cent I think the weakest of all is that it might drive the borrowers away from the banks. I want to assure the committee that the people in my section of the country would not worry if this did take place, since the attitude of the banks has resulted in the credit of the people being so greatly restricted. So far as my part of the country is concerned the people have not much sympathy with the attitude the banks have taken towards the farmers. I only regret that the rate is not four per cent instead of five, because we have reached the point—as I believe the committee is convinced—where we cannot afford to pay more that five per cent. Therefore I heartily endorse this measure.

Mr. WHITE (Mount Royal): As mover of the amendment, Mr. Chairman, I desire to say a word or two. The suggestion of the hon. member for West Edmonton (Mr. Stewart) that all loans on life insurance policies should be prohibited is novel, but it has no relation to the bill under discussion. There is this point to be considered, however, that if loans on policies should be totally prohibited except in respect of what I understand are called automatic loans, the result would be the expiration of the policies and the beneficiaries, whom the hon. member would safeguard, would not derive any benefit whatsoever.

I regret that I cannot share the view, certainly not in its entirety, expressed by the hon. member for East Kootenay (Mr. Stevens). I agree with him that one of the most serious deterrents to the recovery of business in Canada to-day, possibly, is not the heavy weight of interest so much as the heavy weight of debt and the taxation that arises therefrom. The public have not very much control over the matter of debt; what we call the power of the people in respect of government is somewhat illusory. Our debt has been created, in the main, through the great war, over which the people of Canada certainly had no control. It has been created in no small part through railway policies which are now generally admitted to have been misconceived, and the weight of taxation consequent upon this debt presses upon business seriously whether the rate of commercial or other loans be three per cent, four per cent, five per cent, or six per cent.

I should like to point out that loans made by insurance companies on policies in past years have borne interest, as has been stated, as high as ten per cent, which I agree is an extremely high rate. The nominal rate was six or seven per cent, and upon that nominal rate was piled a service charge of two and three and I am told, even four per cent. It appeared from the evidence before the banking and commerce committee that at present the rate of interest on loans upon policies is about eight per cent. It is now proposed by the amendment which I have moved, to reduce that rate to six per cent. That is a cut of twenty-five per cent—no mean reduction—and it will to that extent relieve those who borrow upon policies.

However, to my mind this is the very strongest argument that can be put forward against the reduction in the rate of interest or against even a six per cent rate, namely, that the insurance companies do not cultivate this type of business. It is true that as an inducement to prospective policyholders a clause is inserted in the policy to the effect that after a certain period, when sufficient premiums have been paid to give a stated value to the policy, a loan may be obtained upon it. That may be, I presume it is, an excellent selling point, but the companies do not cultivate this class of business at all, and when the companies are not wanting that class of business I submit that it is a fair deduction to say that it is not a desirable business for the companies.

An impressive argument upon the other side is that the insurance companies net from their investments to-day a figure somewhere in the neighbourhood of three and a half per cent, therefore, say those who would fix the rate at four per cent, why charge the poor policyholder who wants a loan six per cent or even five per cent? But the difference is this: When the companies invest in a dominion bond, a provincial or a municipal government bond, they know that they have an asset in their strong box which is good over a long term of years, and which costs them not a penny to administer beyond the wear and tear on the scissors which cut the coupons, whereas when they make a loan on a policy there is annually, and I dare say in most cases semi-annually, a certain amount of clerical work to be done and a certain expenditure imposed upon the company in connection with that loan, which expenditure reduces very substantially the net amount received from the loan.

I said a moment ago that the service charge is two per cent. If we make the rate six per cent now without a service charge, that makes it equivalent to a rate of four per cent. Is that not clear? Is that not logical? Is that not so? There are some $250,000,000 of loans outstanding upon the

insurance policies of the Canadian companies, a figure which represents I think about thirty per cent of the total amount of insurance in force with these companies. Now my interest in this whole question is that of a policyholder, and no other whatsoever. I have only the interest of a policyholder. I am one of the other seventy per cent of the insurance policyholders in this country. The gentleman who wants a five per cent rate, and would prefer a four per cent rate, represents only thirty per cent of the policyholders of this country. I object to a lower rate than six per cent because under that rate the companies will have a stronger financial structure and will be upon a surer foundation, and I as one of seventy per cent of the policyholders have in mind first and last only the interest and solvency of the insurance companies.

Section stands.

Progress reported.

COPYRIGHT ACT

AMENDMENTS TO ACT IN VIEW OF APPOINTMENT OF ROYAL COMMISSION

Hon. C. H. CAHAN (Secretary of State) moved the second reading of Bill No. 58, to amend the Copyright Amendment Act, 1931.

Motion agreed to, bill read the second time, and the house went into committee thereon, Mr. MacDonald (Cape Breton) in the chair.

On section 1—Right of action barred when fees paid or tendered.

Mr. CAHAN: I explained this bill quite fully on its introduction, but I desire to call attention to a misprint on line 15. The word "presented" should be "prescribed," and I shall ask my colleague the Minister of Finance (Mr. Rhodes) to move an amendment accordingly.

Mr. RHODES: I move that the word "prescribed" be substituted for the word "presented" in the fifteenth line.

Amendment agreed to.

Section as amended agreed to.

Bill reported, read the third time and passed.

CANADIAN FARM LOAN ACT

CONSIDERATION OF SENATE AMENDMENTS

The house proceeded to the consideration of the amendments made by the senate to Bill No. 15—Mr. Rhodes—to amend the Canadian Farm Loan Act.

[Mr. R. S. White.]

Hon. E. N. RHODES (Minister of Finance): Mr. Speaker, the amendments made by the Senate to this bill will be found in votes and proceedings of yesterday. In addition they have been incorporated in the bill itself, which has been circulated and I believe is now either on the file or in the post office box of every hon. member. I do not propose to go into the details of the various amendments, which are numerous, but I shall refer to one or two.

It will be recalled that in the bill passed by this house it was provided that the maximum amount of a loan upon first mortgage would be $7,500. The Senate has reduced this figure to $5,000. In connection with the combination of first and second mortgages plus the added security provided in the bill, the maximum amount in the bill as it left this house was $7,500, but the Senate has reduced this to $6,000. No doubt there will be a difference of opinion as to which is preferable, but I understand that the argument which resulted in this amendment was to the effect that to the extent the amount of individual loans was reduced, there would be an increase in the amount available and in the number who would have an opportunity of participating in the total amount which the board would have to pay out by way of loans. In the circumstances I am prepared to concur in that amendment.

However there is one amendment made by the Senate to which I take exception. The bill as it left this house provided that the maximum amount which could be lent upon a combination of the real estate, the buildings and the collateral security by way of chattel mortgage would be sixty-six and two-thirds per cent of the appraised value in every province save Quebec. In Quebec where they have no chattel mortgages the figure was to by sixty per cent. The Senate amendments provide that the maximum amount of loan in the first case would be sixty per cent and in the province of Quebec, fifty-five per cent. My main reason for taking exception to these amendments is that we have the right to assume, I think, that farm property at the present time is about at its lowest value. If a farmer should secure a total advance of sixty six and two-thirds per cent of a fair appraisal of the value of his farm he would in effect be securing a much smaller loan than he would have secured under a fifty per cent valuation a few years ago. For that reason, if for none other, we feel that we should adhere to the larger percentages.

After all is said and done, much will depend upon the valuation. It would take a very skilful valuator to value a property within six and two-thirds per cent. I have the feel-

ing with respect to the larger figure that there will be an opportunity presented to the deserving farmer who is a good moral risk. He will be more apt to obtain his loan with the larger figure than he would if the valuator were faced with the difficulty of appraising the value of a farm at a sufficient figure to enable a loan to be advanced. Without labouring the matter any further, I move, seconded by the Minister of Pensions and National Health (Mr. Sutherland):

That all the amendments proposed by the Senate to Bill No. 15, an act to amend the Canadian Farm Loan Act, be concurred in, with the exception of amendments Nos. 13 and 14, in which amendments this house does not concur for the following reason: That farm property being at the present time at its lowest value, a total advance of sixty-six and two-thirds per cent of the appraised value of a farm would secure a much smaller loan than would have been secured at fifty per cent valuation a few years ago.

I hope I have made it clear that my motion provides for the acceptance of all the amendments with the exception of the two noted.

Mr. E. J. GARLAND (Bow River): I would submit to the Minister of Finance that these amendments appeared only yesterday in the votes and proceedings. They are extensive and in many cases very important, and I suggest to the minister that further consideration be permitted until Monday. While I agree with the two exceptions which the minister has made in his general acceptance, I believe there should be other exceptions included in his motion. I disagree with the action of the Senate in reducing the total amount of loan on the land and buildings to $5,000. In the original bill the amount provided was $10,000. Last year's amendments provided for a reduction to $7,500, and now the Senate has proposed a further reduction to $5,000. That is going a little too far. Next, they have stricken out the option of the borrower with regard to the amortization principle in connection with the repayment of the loan. That in itself may not be of extreme importance but it did have some merit in so far as certain borrowers were concerned.

I am at a loss to understand fully all that is meant in the substitution for the original subsection (h) of section 7 of the proposal now made in the senate amendments. It reads:

(h) Except as provided in, and subject to, such regulations, not inconsistent with the provisions of the Interest Act, as the board may prescribe, any borrower may at any time repay the whole or part of his loan on any date on which an instalment becomes due. When the payment is part of the loan only it shall be credited to the borrower in such manner as the board may by regulation prescribe, but so that no such payment shall relieve the borrower from liability to pay or from continuing to pay, at the times agreed upon, the various instalments next ensuing due after such partial payment is made, and until the loan and interest is repaid in full.

My reading of that clause would lead me to believe that it would mean that any prepayment of any portion of the amount due would apply at the end of the loan and not to subsequently ensuing payments of the loan. I believe that this again should be at the option of the borrower; he should have the right to say, "I may want this amount applied on my next payment." Take the farmer who has an exceptionally favourable crop or who has touched an exceptionally favourable market: he may want, as a matter of precaution against possible ensuing failures, to apply the amount on the loan either on next ensuing payments or on payments beyond that. But this clause would appear to give power to the board to determine that the payment shall apply at the expiry of the mortgage and not at any time designated by the borrower.

I object also to the amendment proposed in subsection (j) of section 7. The new subsection (j) reads:

It shall be a term of any mortgage taken as security for a loan that upon the sale or lease of the farm land mortgaged the loan shall, at the option of the board, immediately become due and payable.

The Senate has included the words "or lease," which now makes it imperative on the man to recognize that the board may compel him to accept the mortgage as having matured in the event of his leasing the land. Someone says, Why not? For this reason—that in many instances a farmer, during the term of the loan, becomes incapable through illness or because of age of carrying on as the actual operator and occupant of the farm. His loan may still have a period to run, and yet this clause would give power to the board to compel him to meet the full obligation under the loan at that time, and his property would become subject to the board. That is extremely unfair. So far as I can ascertain, the farm loan act loses its value to those who want to borrow under it—those, for example, who have become aged, those who have become ill during the occupancy of the farm, and, of course, members of parliament who find it difficult to carry on both occupations. No member who leases his farm is in a position to secure a loan under the act

because, if he is not in occupancy of the farm, he does not get a loan.

I take gravest exception to the amendments to section 8 of the act. Subsection 3 of the new provisions, and indeed all the new provisions—and by the way they cover nearly two pages of the votes and proceedings—are directed to the strange purpose of removing from under the provinces all lands in connection with which money is borrowed from the board. They remove from the jurisdiction of all provincial legislatures, with respect to lands, anyone who borrows money from the board. That was not done under the old act. It is an entirely new conception on the part of the Senate; and to make it perfectly clear that this was their purpose, it is provided that such moneys as may be due, such lands as may be hypothecated, shall be regarded as the land or property or money of His Majesty the King in the right of the Dominion of Canada. Subsection 3, however, removes any difficulty in understanding the purpose of the Senate with respect to these amendments. It reads:

(3) Notwithstanding any law, whether statute or other, now in force or which hereafter may be in force in any province, no mechanics' lien law, taxation lien law or other law or privilege of any species whatever whereunder liens, charges or privileges upon or against land or other property of any species whatever erected, arise or exist shall, without the consent in writing of the board, which consent shall be revocable, affect or apply to any land or other property of any species whatever or any part thereof or interest therein, to which any mortgage or other security, lien, charge or privilege made or given to the board under this act after the thirtieth day of June, 1935, shall relate, in prejudice of the board as the holder of any such mortgage or other security, lien, charge or privilege so made or given, but every such mortgage or other security, lien, charge or privilege thereafter made or given to the board shall, for so long as it shall remain wholly or partially unpaid, rank upon such land or other property or part thereof or interest therein, as the case may be, in priority to all other securities, liens, charges or privileges, whatsoever.

It shall rank in priority to school taxes and to all other taxes; and indeed anyone who borrows under this act may lose any privilege or protection he now has under any debt adjustment law of any province. This was never intended by this house. When the House of Commons accepted the farm loan act some years ago and the amendments of last year as well as those of this year, there was never, in my opinion, the thought in the mind of any member that the borrower under the act should lose any of his rights or privileges under provincial laws in respect of chattel mortgages, farm mortgages or land liens. The Senate has taken away from the borrower any privilege or right he has to-day under the lien laws of the respective provinces. These are my chief objections to the amendments provided by the Senate; but the whole thing is so involved, the terminology is so complex and legal that the average lay member must have great difficulty in understanding it after the brief opportunity we have had for its perusal. I suggest therefore that the minister might allow the matter to stand over until Monday.

[Mr. E. J. Garland.]

Mr. RHODES: I am not entitled to speak at this stage, but I would ask unanimous consent to do so, not to reply to my hon. friend, as I should like to, but to indicate my appreciation of his difficulty. I spent as much time as I could spare from my other work this morning going through the various amendments and I could demonstrate that the hon. gentleman's fears with respect to them are unfounded. As a matter of fact the amendment to which he took greatest exception was designed solely for the benefit and protection of the borrower. My concern, however, is to get the bill back to the Senate and to have it become law. So far as I am personally concerned I should be happy to facilitate my hon. friend from Bow River. But assuming that his argument were sound, it would be far better to have the bill completed, even if not altogether satisfactory in terms, have royal assent given to it next week and have the money made available to the farmers than, by delaying it until Monday with an adjournment coming on Wednesday, to come to the point where we may have to adjourn without this bill passing, thus denying the farmers of this country over a period of the year when they need loans more than at any other time, an opportunity to secure them. I had that in mind in reducing my opposition to the Senate amendments in the hope that the Senate might concur so as to enable the bill to pass there and receive royal assent on Wednesday.

Hon. CHARLES STEWART (West Edmonton): I do not think we would be delaying the bill by letting it stand over until Monday.

Mr. RHODES: I have no objection.

Mr. STEWART (Edmonton): —for the simple reason that the Senate will not meet until Tuesday, and if we dispose of the bill on Monday they will be in a position to take it up in the Senate on Tuesday in any case. I agree with the hon. member for Bow River (Mr. Garland). This looks pretty much like a Chinese puzzle to me and I would like to have time to give it some consideration. I move the adjournment of the debate.

Mr. A. M. CARMICHAEL (Kindersley): May I ask another question of the minister before the debate is adjourned? In the bill it is mentioned that the loan provisions shall come into effect when royal assent is posted in the Canada Gazette. We are assuming royal assent will be given before we adjourn on Wednesday next. I wonder whether the minister between now and Monday, if he cannot do so now, could advise us when the bill is likely to come into operation. The reason I ask the question is that I have had a number of letters from farmers of my constituency who are very anxious to know when the bill will come into operation in Saskatchewan and what the procedure will be to make application for a loan. If the minister cannot answer that now, possibly between to-night and Monday he might give it consideration and be able to tell us on Monday when the bill will be in operation.

Mr. RHODES: I can answer only by courtesy of the chair and the house. The only answer I can give is this, that new machinery will have to be set up in Saskatchewan and in two other provinces, but the legislation will be brought into operation as speedily as we can possibly get the machinery working. That is the best answer I can give. I can give no answer now or on Monday as to the exact date.

Motion agreed to and debate adjourned.

PRIVILEGE—MR. STEVENS

Hon. H. H. STEVENS (East Kootenay): I apologize to the house for craving its indulgence for just one moment. There appears in to-night's newspapers a Canadian Press dispatch, and I am reading from page 21 of the five o'clock edition of the Ottawa Journal these words:

> After his resignation, Mr. Stevens said, the Prime Minister divulged to the public details of privy council discussions which is contrary, he claimed, to the oath of office.

I cannot conceive how anyone could have placed such words in my mouth. The nearest approach to them that I find in the Hansard report of my remarks is this:

> I resigned for that purpose and for that reason, that the secret and private discussions of cabinet had been spread upon the pages of the press.

I wish to thank the house for this opportunity of making that brief denial or correction, because of the significance of the words which were wrongfully published.

SUPPLY

DEPARTMENT OF AGRICULTURE

The house in committee of supply, Mr. Bury in the chair.

Experimental farms, including investigations concerning plant diseases, $1,937,898.

Mr. GARLAND (Bow River): Has the minister given any further consideration to the suggestion that has been made so often in the house that one of these experimental farms should be put on an ordinary operating basis and that the minister should provide the house from time to time with information as to the possibility or otherwise of attempting to carry on an experimental farm under ordinary conditions? This suggestion, which as I recall it was made many years ago, would, if carried out, prove of immense value as a fair test of whether agriculture, at least in certain sections of the country, could be regarded as a profitable profession. It would certainly be a better means of informing governments of actual conditions than the varying reports on costs and so forth that come from all parts of the country. Has the minister given any consideration to this?

Hon. ROBERT WEIR (Minister of Agriculture): I agree entirely with the hon. member for Bow River that it is very important as far as we are able to get accurate costs of production. It is the purpose on at least one farm, or possibly more than one, to carry out, in a little different way from what has formerly been the case, a scheme based on costs of production. But even in that case the hon. member will realize that there will be overhead expenses like those of a superintendent of the farm and perhaps a clerk to keep accurate costs. On such a farm, however, we shall be able to get accurate information as to the profit or lack of it in farming in the locality in which the farm is situated. At the same time surveys are being conducted of the costs of operation of farms in different localities throughout the country. But I agree with the hon. member that it is desirable so far as possible to get the most accurate information as to the cost of farming using the methods I believe the hon. member has in mind, advocated by the experimental farm system.

Mr. GARLAND (Bow River): Has any experimental work in that connection been so far undertaken?

Mr. WEIR (Melfort): It is the intention to undertake work of that kind in the new farm that we set up at Melfort, to make it as nearly as possible a farm operated by a farmer.

Mr. GARLAND (Bow River): Nothing has yet been done?

Mr. WEIR (Melfort): Nothing except surveys of individual farms.

Mr. GARLAND (Bow River): Can the minister give the committee any accurate figures on production costs based on the results so far secured in connection with the individual test farms that he is speaking about? For instance, can he give the cost of wheat?

Mr. WEIR (Melfort): Illustration station cost figures are published annually. There are several reports that deal with that. In addition, the head of the farm management department in the university of Saskatchewan, Professor Allen, has devoted a great deal of time to that, but I have not his report under my hand at the moment.

Mr. GARLAND (Bow River): He is doing it for the university?

Mr. WEIR (Melfort): Yes, it is outside the illustration farm system.

Mr. GARLAND (Bow River): Yes, I have known for some years of Doctor Allen's work; it probably is the outstanding example of the thing we are trying to get. What he is doing is surveying conditions as they are to-day and basing conclusions on that. I believe he is now undertaking similar work for Alberta. But I was speaking of the type of farms to which the minister referred a minute ago.

Mr. WEIR (Melfort): Our work has to do with illustration stations and also the economic survey.

Mr. BRADETTE: Last year on the public works program passed towards the end of the session the Minister of Agriculture promised me that some of that money would be spent on the experimental farm at Kapuskasing. I gave him then certain facts of which I had personal knowledge, because I visit that farm every year; I knew of certain improvements that were necessary to buildings. We are thankful that some of the money was spent there, but having made further personal inspection I would again ask the minister if he can find it possible to proceed a little further with such improvements. The experimental farm at Kapuskasing is a great asset to that section and is very well administered. Every section of our population would highly appreciate the continuation of the work that was started there last year under the public works program. Will the minister give me an answer the same as last year?

Mr. WEIR (Melfort): Yes.

Mr. CARMICHAEL: The Swift Current experimental farm has been without a superintendent for some considerable time, I believe since last June. Would the minister care to tell the committee what the plan is in connection with that farm, particularly in regard to the policy that is to be pursued? The Swift Current farm has been working along the lines of dry farming, with special reference to the needs of the open prairie section. Is there to be a continuation of that policy, or what is the attitude of the department towards the Swift Current farm?

Mr. WEIR (Melfort): The delay in the appointment of a superintendent has been occasioned to a certain extent by a stepping up of the grade of the superintendent. The man we hope to make superintendent will have the supervision not only of the Swift Current station but also of other works connected with it, that is range work and so on. The matter is now in the hands of the civil service commission. The position has been advertised and applications are being received, and as soon as the time expires an appointment will be made.

Mr. CARMICHAEL: It is not contemplated to make any change in the policy that has been pursued there for a number of years?

Mr. WEIR (Melfort): No, just to widen it and connect it up with the range work.

Mr. GARLAND (Bow River): I take it that the increase in this item is due to the launching of the new farm at Melfort?

Mr. WEIR (Melfort): No, it is due to a number of causes.

Mr. GARLAND (Bow River): Could the minister give the details of the increase?

Mr. WEIR (Melfort): It is spread over a wide range—increased grant for fruit investigations, for range investigations, particularly in British Columbia; soil surveys will be extended; black soil investigations in the east; general equipment for laboratories, and increased building equipment.

Mr. GARLAND (Bow River): What is the total amount required for the new farm?

Mr. WEIR (Melfort): $25,000.

Mr. GARLAND (Bow River): Where did the minister say it was?

Mr. WEIR (Melfort): Melfort.

Mr. REID: Has the minister the information before him as to the cost of the farm at Agassiz, how many persons are employed, and the number of persons that visit that farm?

Mr. WEIR (Melfort): The appropriation is $37,000. There is a classified staff of five. We have not a record here of the number of visitors, but as the hon. member knows it is one of the farms that perhaps has the greatest number of visitors.

Mr. REID: I made a suggestion last year —I do not know whether the minister ever looked into it—as to the advisability of moving that farm into the Chilliwack district, where it would be of far more advantage than it is in its present location. An experimental farm is of no use unless it is accessible to the people. This farm was established in the early days of settlement, and now the population is all on the other side of the river, so that if the farm were moved there the people could easily inspect it and thereby get some advantage from it.

Mr. POULIOT: May I ask the minister if there is a butter factory at the central experimental farm?

Mr. WEIR (Melfort): Just for making home butter.

Mr. POULIOT: As experiments in butter making are carried on in most experimental farms, it would be in order to refer to a statement made by the Minister of Agriculture on Friday last about our dairy trade with Great Britain. I will tell the minister exactly what happened. Referring to a previous debate, the hon. member for Terrebonne (Mr. Parent) said to the minister—I have this distinctly in mind; I have it upstairs in print and could get it in a moment—that the minister had declared that the United Kingdom was the best market for dairy products. The minister replied, "I did not say that." Now, without using anew the word "that," may I ask what the minister meant by such a reply. I stated the case to him very clearly last Friday, as recorded at page 2497 of Hansard. Now I have Hansard of last year, and at page 1590 it reads:

Mr. Weir (Melfort): Did the hon. member say I stated this afternoon that the United Kingdom was the best market for our dairy produce?

Mr. Parent: I understood the minister to say that.

Mr. Weir (Melfort): I did not say it.

Mr. Parent: I accept the minister's statement.

Mr. Pouliot: Therefore the Ottawa agreements are of no use.

May I ask the hon. gentleman what he meant when he declared that he had not said the words mentioned by the hon. member for Terrebonne?

Mr. WEIR (Melfort): Mr. Chairman, this subject would I believe rightly come under the second next item that we are going to take, namely, cold storage and dairying, and in case further information should be asked for, I will ask that the matter referred to by the hon. member for Témiscouata be left until that item is under discussion. But since the hon. member has asked the question, and to make it clear that there is no desire to evade answering, I would say that what I said I do not think could be put in simpler language—that I did not say in the statement I made that the United Kingdom was the best market. It might be considered the best market; it might be the best market, but the point I made was that I did not make that statement, and the hon. member for Terrebonne accepted my statement in that connection. That deals only with the fact that I said I did not make the statement the hon. member suggested I had made; there was no controversy other than that.

Mr. POULIOT: But there is a reason for everything, and I am going to ask one more question of the minister; after that he will be through with me at least so far as this item is concerned. Why did he say he had not made the statement?

Mr. WEIR (Melfort): Because I had not made it.

Mr. POULIOT: This is quite amusing, but it is not illuminating. If the matter was of no importance I do not see why a minister of the crown should say he never made the statement. When a minister says he did not make a previous declaration it is because that declaration is of great importance. When the minister is himself he is most agreeable to deal with; when he spoke in that way he was true to himself and he did not want to give the Canadian public the impression that the United Kingdom was our best market for Canadian dairy products. I may be wrong but it is my humble view that when that statement was imputed to the minister by the hon. member for Terrebonne, the minister knew that Canadian butter had been shipped back to

Canada after having been in the United Kingdom for some time, and found it impossible to let it go like that when the hon. member for Terrebonne mentioned that statement. I am sure the minister realized that the United Kingdom is not our best market for dairy products, and that was why he rose in reply to the hon. member for Terrebonne and denied the statement that had been imputed to him.

Mr. WEIR (Melfort): If the debate is resolving itself into a question whether I know why I gave the answer or whether the hon. member knows, I do not think anything is to be gained by prolonging the discussion. I was only keeping the hon. member for Terrebonne, who was very sincere in his discussion, straight so far as a statement I made was concerned. If the hon. member for Terrebonne had wished to find out what in my opinion, which after all is only my opinion as an individual, is the best market for our butter, he would have asked me that direct question and I would have given him my opinion. It was because I thought he had misunderstood something I had said that I stated I had not made that statement, without any attempt to evade giving information. There is nothing to be gained in attempting to do that, because all infomation has to be brought forward and it is our desire to do so. So far as our butter is concerned I think it is generally admitted that our home market is the best market; that is why we have given protection to our own farmers. So far as my answer to the hon. member for Terrebonne is concerned certainly there was no evasion; it was simply a desire on my part to make certain that he was not making his statement feeling that I had said something I had not said.

Mr. POULIOT: I am not a mind reader, of course, though the minister said at first I had answered for him. I need not insist further; I thank the minister for his very frank statement to the effect that our home market is our best market for dairy products.

Mr. WEIR (Melfort): I said for butter.

Mr. POULIOT: Very well, for butter. I will not speak of cheese or other dairy products; the facts and figures are on record. According to the statement just made by the Minister of Agriculture our home market is the best market for butter; it is better than the British market. I am satisfied with that answer, and there is only one thing I regret. It is that at present the price of butter in the United States is much higher than it is in Canada, so much so that butter has to be smuggled from Canada to the United States. I regret also that in Canada there is a smaller consumption of farm products, some of which are grown and advertised by our experimental farms. We have no local market as it was in previous days; the farmer has lost even his home market, and I regret it, though the minister says our home market is the best market for butter.

Mr. VALLANCE: I should like to direct a few questions to the minister, and first I should like to ask him something about the Rosthern farm and the Seager Wheeler property. I would like the minister to tell me also who is the superintendent of that farm at the present time and what in particular is being done at the Rosthern farm and the Seager Wheeler property.

Mr. WEIR (Melfort): Mr. Hutton is the officer in charge of the Rosthern experimental farm. The work that is being carried on there is in connection with dairying and live stock, especially pigs, and one of the chief projects carried on there is horticulture. On Seager Wheeler's farm the work is of a demonstrative nature in grains, in plant breeding, of cereals and horticultural plants. We have the use of Doctor Wheeler's farm, his own time and the labour on the farm for, I think $2,100 a year.

Mr. VALLANCE: If the minister has it I wonder if he could give a comparative statement as to the cost of operating the different experimental farms.

Mr. WEIR (Melfort): I have the estimates for this year. Does the hon. member want them for all the farms throughout Canada?

Mr. VALLANCE: The hon. member for Macdonald tells me that a return giving this information has been brought down and is available.

Mr. WEIR (Melfort): I thought I brought it down.

Mr. VALLANCE: The hon. member says it has been brought down, so the minister need not answer that question; I can find the information elsewhere. Something has been said about the new farm about to be set up, if not already in operation, at Melfort. For the information of the committee would the minister tell us the distance in miles between the Rosthern experimental farm and the proposed new farm at Melfort? I understand that is the closest farm to the new farm.

Mr. WEIR (Melfort): I have not the mileage here, but if my memory serves me aright it is eighty or eighty-five miles from Rosthern to my own farm and about thirty-five miles from there to Melfort, but by direct road the distance would be somewhat less than that. I assume the hon. member is trying to get at why a farm should be placed as close, comparatively, to the Rosthern farm as it is proposed that the Melfort farm should be. It is not as close to the Rosthern farm as the farm at Saskatoon. It is about the same distance as the Scott experimental farm. But it is not a question of miles. It is because there is no experimental farm situated on soil typical of that at Melfort, and that is typical of the greater part of the soil all the way from Dauphin to the Alberta boundary. In order that hon. members may realize the extent of that very large area I may say that the Carrot river valley is situated practically in the centre of that whole area, and it is the largest area of cultivated soil that is in a reasonably close compass. The Melfort farm is situated pretty much in the centre of that area, and in order that hon. members may have some idea of the extent and production of that area in the Carrot river valley alone I think it advisable that I should put this information on Hansard.

The area under cultivation in the Carrot river valley is 1,130,825 acres, almost three times the area of the cultivated land in British Columbia, and greater than the total area of Prince Edward Island and Nova Scotia. The production in this area in 1931, the census year which gives us the most accurate figures, was as follows: Melfort produced 10,927,916 bushels of wheat, while Prince Edward Island, Nova Scotia, New Brunswick and British Columbia combined produced only 2,898,000 bushels of wheat; that is, in the Carrot river valley approximately four times as much was produced as in all these other provinces combined.

There was also produced in that area one and a half times as much barley as was produced in Prince Edward Island, Nova Scotia, New Brunswick, Quebec, and British Columbia combined, the Carrot river valley producing 5,303,584 bushels of barley while these other provinces combined produced only 3,350,000 bushels. The Carrot river valley produced almost thirty-seven per cent of the barley produced in Saskatchewan; it produced almost eight per cent of all the barley produced in the Dominion of Canada. It produced 25·5 per cent as much barley as Alberta; it produced 34·4 per cent as much barley as Manitoba, and 39·3 per cent as much barley as Ontario produced. In 1931 the Carrot river valley produced almost one-thirtieth of the total wheat produced in Canada; more than one-twelfth of the wheat produced in Saskatchewan; almost one-thirteenth as much wheat as Alberta produced, and over one-third as much wheat as the whole of Manitoba produced.

In 1932 there was marketed in the Carrot river valley one out of every seven hogs marketed in Saskatchewan, and more than one out of every forty-five hogs marketed in Canada.

I think I heard one hon. member suggest that when we were having such excellent results there why was it necessary to put in an experimental farm? The reason is I think self-evident. That large area to the north, because of the high price of wheat, went almost entirely into the production of wheat, although later it went into the production of some of the coarse grains. We believe that that whole belt of country from Dauphin to Alberta is particularly suited for mixed farming—not just wheat alone; there must be experiments made somewhere in that area, and it was natural that that district should have been decided upon as the largest cultivated district to give leadership to the farmers there who wished to change their methods of farming.

The population of the Carrot river valley is perhaps the most cosmopolitan of any similar district in the dominion. There are large numbers of settlers there from Scandinavian countries. For eight miles west of my own farm on both sides of the road every farmer is Scandinavian by race, and for six miles east all but three are of that same race. There is also a very large settlement of French-speaking people from the province of Quebec and some from the old land. We have as well settlers from every province in the dominion. This is I think the best compliment that I can pay them as farmers: In 1930 out of the total number of hogs marketed from the Carrot river valley 16·9 per cent were bacons and selects; in 1934 57·7 per cent were bacons and selects. That is of special interest to those who are engaged in farming because it enables them to realize the intelligence and thought that these farmers must have put into their work in order to recast almost their whole live stock industry as they have done, and that is true of western Canada particularly. It is also true of the far northern part of Alberta, where the farmers were engaged almost entirely in the production

of wheat and had made such a success of high quality wheat. But now they are turning more to live stock and demonstrating that the same intelligence can bring about these almost unbelievable results.

Mr. VALLANCE: It has been very interesting to hear the minister give this statement, and I hope he will not think I am facetious in what I am about to say. I wonder if he can give us the same line-up for all the other experimental farms. But perhaps that is asking too much because I think that almost as much can be said for the other experimental farms as the minister has said about this Melfort farm. I am not objecting to this Melfort farm; I think it is very necessary. I have heard some criticism of it, which, after the statement of the minister, I think probably was not warranted. Can the minister tell us who is to be the superintendent of that farm, and is the staff to be moved in from the Rosthern farm? Why has not a permanent superintendent been appointed for the Rosthern farm? It is quite a considerable time since Mr. Munroe left that farm.

Mr. WEIR (Melfort): Mr. Colbert is in charge of the farm under Mr. Hutton. Mr. Hutton is temporarily in charge at Rosthern. I frankly admit the difficulty in appointing men to these positions. The difficulty is in getting men who are thoroughly qualified to fill the position because, not only do they have to be scientists, but they must possess qualifications in very many lines outside of that, and it is very difficult to get men whom we would select at the salary we can offer because these men are usually occupying good positions at the present time.

Mr. VALLANCE: I would ask the minister if it is possible for, say, your humble servant, coming from the Battlefords which are being served by the Scott experimental farm, to get regarding the Scott experimental farm the same sort of information as the minister has just given to the committee in regard to the Melfort farm, and information as to the numbers it is going to serve. I think the information which the minister gave in regard to the Melfort farm should be made available in regard to the other experimental farms. Has the minister such information available?

Mr. WEIR (Melfort): Some of it I have worked out for my own satisfaction and as a matter of comparison. The information the hon. gentleman asks for could be supplied, but it is not at present available.

Mr. VALLANCE: The minister worked it out in this one case perhaps to justify the establishment of the Melfort farm.

[Mr. Vallance.]

Mr. WEIR (Melfort): No, I had it worked out before that farm was ever established just for my own information as to the work that was being done agriculturally in the Carrot river valley, and to see what progress was being made in the quality of the live stock, especially bacon, being shipped out from that area. Some of the figures I gave were for 1931.

Mr. VALLANCE: I do not want to be considered catty, but I think it will be wonderful for the minister to be able to go back to his constituency and say, "This is what you are creating; this is what I have done for you." Without wanting to be facetious, I understand that this is to be called the "Weir memorial farm." I hope it is a memorial.

Mr. GARLAND (Bow River): Could the minister give me the number of experimental farms, demonstration and illustration stations by provinces?

Mr. WEIR (Melfort): We have not it by provinces. The information is available and will be supplied to the hon. member.

Mr. GARLAND (Bow River): Could I have the total number?

Mr. WEIR (Melfort): There are twenty-five experimental farms, 204 illustration stations and ten substations. There are no demonstration stations; what are usually called demonstration stations are really illustration stations.

Item agreed to.

Farm economics, including agricultural co-operative marketing, $29,680.

Mr. DONNELLY: Why the increase?

Mr. WEIR (Melfort): There has been an increase in the number of projects carried on which has necessitated an increase in the staff.

Mr. DONNELLY: There was a special grant of $50,000.

Mr. WEIR (Melfort): Is the hon. member referring to the marketing act?

Mr. DONNELLY: Yes.

Mr. WEIR (Melfort): That comes under item number 263.

Mr. GARLAND (Bow River): What is meant by agricultural cooperative marketing?

Mr. WEIR (Melfort): For a number of years a study has been made of the different types of cooperative marketing efforts which have been undertaken. A record is kept of the operations of all cooperative marketing movements in the dominion.

Mr. GARLAND (Bow River): Are there any publications dealing with that?

Mr. WEIR (Melfort): Yes.

Mr. BRADETTE: Is this act functioning in northern Ontario? The other night the minister gave me some information in connection with the marketing of hay in my own section.

Mr. WEIR (Melfort): There is a special item covering the marketing act.

Item agreed to.

Dairying, $249,000.

Mr. MOTHERWELL: What are the official export grades for butter?

Mr. WEIR (Melfort): First, second and third; there has been no change.

Mr. MOTHERWELL: My recollection is that there used to be a special grade.

Mr. WEIR (Melfort): My information is that that was eliminated in 1931.

Mr. MOTHERWELL: We are exporting only a comparatively small amount of butter and it occurred to me that it would be a good idea to have a special grade to fill this overseas demand. I realize that when you have only a small quantity of specials it may not pay to bother with it. A levy on general production has been put into effect in Australia as a bonus on exports. I am not suggesting this, because I think it would be better to have a high class butter which would command an increased price on the export market.

Mr. WEIR (Melfort): As the hon. member knows, the special grade was the highest scoring butter in first grade. He himself has suggested the reason why this grade was eliminated; it was because of the small quantity manufactured. The hon. member has suggested having a special grade for export with the idea of obtaining a premium when sold in the old country. The officials of the department have given consideration to this matter but they do not feel sufficiently hopeful of increasing the amount to a point where they could recommend a special grade. Whenever circumstances warrant the creating of a special grade we have the power under the act to do so without referring the matter to parliament.

Mr. MOTHERWELL: I assumed that the small amount of specials produced was the reason for eliminating this grade. My opinion is that quality is going to become more and more important in marketing and I thought it might be a good idea to endeavour to encourage having more of this grade produced by maintaining special as top grade and attaining a higher price therefor. Has the minister the total milk production of Canada for the last two or three years?

Mr. WEIR (Melfort): It is estimated that the total production last year was 16,024,831,000 pounds. The year before it was 15,917,000,000 pounds; the year before that, 15,772,000,000 pounds and the year before that, 15,126,000,000 pounds.

Mr. MOTHERWELL: Seeing that the production of cheese is dropping year after year, I was wondering what other commercial commodities milk was being converted into to take the place of cheese.

Mr. WEIR (Melfort): Butter and also milk for fluid consumption. This whole thing is just an estimate.

Mr. DONNELLY: Is this increase brought about by a better class of stock or is it due to an increase in the number of cattle?

Mr. WEIR (Melfort): There is a slight increase in the number of cattle but I believe it is safe to say that there is considerable improvement in the quality of the stock.

Mr. GIROUARD: I understand that petitions which had been addressed to the Prime Minister, signed by a large number of farmers, asking for minimum prices for farm products and also for a bonus on the export of butter and cheese, were referred back to the Minister of Agriculture. Will he kindly tell us whether it is the intention of the government to pass at this session legislation in accordance with the request made in these petitions?

Mr. WEIR (Melfort): The petitions in question were referred to the Department of Agriculture and were given consideration, but I am sure the hon. member appreciates the fact that a member of the government cannot state what legislation will be brought down in this connection. The hon. gentleman himself realizes the results that might follow price fixing. The whole matter is a very delicate one and if it were applied to one product there would be a demand in connection with other products. Every effort is being made however to work out some policy by which the dairy industry will be stabilized as far as possible, and in that all provinces are cooperating.

Mr. VENIOT: You are applying fixed prices to some products of the farm now—minimum prices. Isn't that so?

Mr. WEIR (Melfort): The producers themselves are.

Mr. VENIOT: But authority is given them under an act of parliament to do so.

Mr. WEIR (Melfort): That is under the Marketing Act?

Mr. GIROUARD (Translation): Mr. Chairman, last Tuesday I called the attention of the house to the petitions which I have just mentioned. The hon. member for Dorchester (Mr. Gagnon), when he spoke on the same evening, thought fit to make a statement which I think it is my duty to deny, because when the hon. member made that statement he knew that it was not in conformity with the facts. Here is what the hon. member for Dorchester said:

> But now the hon. member for Drummond-Arthabaska is having petitions circulating in our counties asking this government to give a bonus on butter, cheese and eggs.

The hon. member for Dorchester met me about a month or a month and a half ago and asked me some information about these petitions which were being circulated, I think throughout the province of Quebec. I then informed the hon. member for Dorchester about the origin of the movement which allowed these petitions to be made as well as the requests included therein. The hon. member knew perfectly well that, so far as I was concerned, I had no petitions circulated in my riding or in any other Quebec riding. I regret very much that he thought fit to make such an assertion, knowing for some time that it was not consistent with the facts or the truth.

Now, he read a letter from Mr. Albert Rioux. I had the opportunity, last Wednesday, to deny certain statements made by this gentleman. It is pretty hard, because of that letter, to restrain from saying that this Mr. Rioux was entirely in bad faith when he made such remarks about me, not only by intimating but by stating that I had used the party's funds to pay the cost of the printing of the petitions which were signed in my riding. I also had the opportunity, on the same day, to say that I was glad, whenever I could do so, to help in any possible way, even financially, the farmers of my riding who come to me for help. The fact that Mr. Rioux made that statement shows that, in his duties as president of the Catholic Farmers' Union, he did not always put aside his partisanship, as he should have done when occupying such position. We must not forget that Mr. Rioux was a Conservative candidate

in the last provincial election and that the present government has just rewarded him for his work on behalf of the party by appointing him a member of the revision board in the province of Quebec, at a high salary. I think that this should have been another reason for him to refrain from making malignant insinuations such as he made about me in his letter to the hon. member for Dorchester.

Now, sir, as to the exact contents of these petitions, the Minister of Agriculture (Mr. Weir) has not seen fit to give a definite answer this evening. Everyone admits that the miserable situation in which the farmers find themselves to-day is the consequence of the low prices they are receiving for their products. No matter how much legislation they introduce, the government will find it difficult to reach the root of the trouble if their legislation is not designed to cure the disease at its source. The trouble is that the farmers are selling their products, in most cases, below the cost of production. They have been doing so for many years, and that is why they are asking that minimum prices be fixed, in the same way that this government has maintained a minimum price for wheat without having recourse to the marketing act. This could apply to butter and cheese as well. It would be very difficult, I respectfully submit, to place the cheese produced in our various provinces under the control of the marketing board. The government would certainly not think of doing so, any more than it would think of placing wheat under the marketing act. If I remember the discussion that took place when the marketing act was adopted, it was made to apply to wheat, but I believe the opinion was generally expressed that wheat should not be brought under the act. The same should, I think, apply to cheese. Canada's cheese production fell off to a considerable extent following the imperial trade agreements signed in Ottawa in 1932. Our exports of this commodity are still too high, however, for the country's entire production of cheese to be placed under the act. I sincerely hope that during the long adjournment the government has just obtained, they will reconsider the matter in all its aspects. If the hon. ministers from the province of Quebec will seriously study the subject with a view to providing effective help to the farmers of our province, I am sure that during the month of May the government will bring forward the legislation necessary to raise the price level of farm products in the province of Quebec and in the whole of Canada.

Mr. MALCOLM: I want to ask the minister—and I sent him a note just now out of courtesy—if he could give the committee the annual consumption and production of butter from 1930 onward. He has just informed me that he has the figures for 1934.

Mr. WEIR (Melfort): I have only the figures for production, not for consumption. The production figures are as follows:

Year	Pounds
1929	170,810,230
1930	185,751,061
1931	225,955,246
1932	214,002,127
1933	219,232,546
1934 (preliminary report)	231,448,702

Mr. MALCOLM: Is that the total consumption of butter in Canada during those years?

Mr. WEIR (Melfort): The total production—creamery butter.

Mr. MALCOLM: Not dairy butter?

Mr. WEIR (Melfort): No.

Mr. MALCOLM: Has the minister any figures in connection with dairy butter?

Mr. WEIR (Melfort): Just an estimate.

Mr. MALCOLM: Could we have that to add to the creamery figures?

Mr. WEIR (Melfort): The estimate is 90,000,000 to 95,000,000 pounds per annum.

Mr. DONNELLY: Could the minister tell the committee the price set in Australia for butter for home consumption? I understand they have in effect there what is known as the Paterson scheme to provide a certain price for butter for home consumption, and the price of the butter exported is evened up to the producers. What is the spread between the price for butter for home consumption and the price for export?

Mr. WEIR (Melfort): The Paterson scheme as understood is really not now in effect in Australia. I have not the information available, but I shall be glad to get it and give it to the hon. member as accurately as it can be obtained.

Mr. MALCOLM: I think the figures which the minister has given as to the production of butter amply bear out the statements made by hon. members on this side of the house on a very memorable date in 1930. The production of butter does not change very much from year to year, but the consumption of it changes materially. At that time this dominion was consuming about 350,000,000 pounds of butter annually, or about thirty-five pounds per capita, because the industrial life of the country was buoyant and the home market was good. Now we have not increased the production of butter very much, but we are not consuming anything like the same quantity. We are on an export basis and the price is down, whereas at the time my hon. friends opposite criticized us, we were on an import basis and the price was up. That is the simple fact of the matter, and it is borne out by the figures given by the minister.

Mr. WEIR (Melfort): Just as a matter of record and not wishing to delay my estimates, I am informed that the highest consumption, not that I am disputing the point raised, is 30·76 pounds per capita.

Mr. MALCOLM: In what year was that?

Mr. VENIOT: At the present time?

Mr. WEIR (Melfort): 1931.

Mr. MALCOLM: Let the minister go back to 1928.

Mr. WEIR (Melfort): This is the per capita consumption:

Year	Per capita consumption Pounds
1928	28.54
1929	29.26

Mr. MALCOLM: Does that include dairy and creamery?

Mr. WEIR (Melfort): Yes.

Mr. MALCOLM: How could it? We did not have any more than 10,000,000 people and importations were heavy.

Mr. WEIR (Melfort): The amount of dairy butter is estimated, and whatever it is worked out at for one year in this statement, it will be on the same basis for each of the other years.

Mr. MALCOLM: Those figures hardly conform to those of the bureau of statistics.

Mr. WEIR (Melfort): The figures for the other years are as follows:

Year	Per capita consumption Pounds
1930	30.59
1931	30.76
1932	30.49
1933	30.04

Mr. MALCOLM: Has the minister the figures for this year per capita?

Mr. WEIR (Melfort): Not for 1934. The lowest was 1921—25·79 pounds per capita

Mr. MALCOLM: Those figures vary from those given by the bureau of statistics.

Mr. WEIR (Melfort): I am informed that they are the bureau of statistics figures.

Item agreed to.

Miscellaneous — Natural Products Marketing Act, 1934, $545,500.

Mr. VENIOT: I wish to take up a little time of the committee in dealing with the marketing act so far as it applies to the eastern marketing board for potatoes. I wish to submit a certain number of questions to the minister and in doing so I point out to him what I and others in the maritime provinces regard as an injustice to growers of potatoes at least in New Brunswick, and I think the same situation applies to the other two maritime provinces. For instance I find in the price list issued by the board, prices fixed for export, Halifax, $1.50 per barrel, and 65 cents per bag of 90 pounds. But there is no price fixed for export from the port of Saint John. I should like to know why an export price is fixed only from the port of Halifax. I do not expect the minister to be able to give me an answer to-night to the various questions that I am going to submit; he will find them in Hansard to-morrow and I would ask that he look carefully into them and the objections I am going to place on Hansard in regard to this organization, the eastern potato marketing scheme. Having stated this export price at Halifax and pointed out that no price is fixed at Saint John, I want to know if this means that potatoes for export can be shipped only through the port of Halifax. Then in the instructions issued I find that car lot shipments within Canada must have a government inspector's certificate attached to the car. I have no objection to that, but I also find the following in the instructions:

The buyer shall be entitled to inspection at destination, and this privilege shall be so marked on the bill of lading.

The inspection at point of shipment is made by government officials. I understand a fee of $3 is charged for that. I have no objection to a second inspection at point of destination provided that inspection is made by a government official. But as I understand the working of the scheme, that inspection of potatoes from New Brunswick at Montreal, for instance, is made by the purchaser, not by a government official. Now what will happen and what is happening if that is the case? If the purchaser is allowed to disregard the government inspection at point of shipment and base his price in Montreal on his own inspection, it becomes a monopoly for the dealer. He can turn down the potatoes. It is provided under the law that he shall have that right of inspection, and if he is so minded, if he is not one of the most honest men in the world, he can say: "I had these potatoes inspected; they do not come up to the mark, therefore I will not pay the price agreed upon," which is a price fixed by the marketing board as a minimum price on the rails at Montreal. I am taking Montreal as an example. I want to know, and our shippers in New Brunswick want to know, why this second inspection is allowed without strict government supervision.

Then in the fixing of prices I find that the price is fixed only as at point of destination. If it is reasonable and right to fix the minimum price at point of destination, say Montreal or Toronto, why is it not right to fix a minimum price for the grower? To-day the price is fixed at Montreal, I think at 55 cents or thereabouts for a bag of 90 pounds. Added to that must be the freight and the inspection fee, and the fee, I think it is called, that is collected by the board to meet certain expenses. Then the price fixed, with these additions, plus the wholesale dealer's profit, is the price to the retail trade.

Since I am dealing with the retail trade at points of destination, how is it that the local marketing board so-called in Toronto can fix a minimum price to the retail trade? What right have they to fix such minimum price? We talk of ethics in business; we have had investigations before the price spreads commission of unethical methods of dealing with sales and purchases. How is it that the local board—I have it here under date of March 17—can fix a price at Toronto for No. 1 potatoes of 83 cents per 90-pound bag for retail for Ontario potatoes and on potatoes from Prince Edward Island and New Brunswick at $1.09 a bag for the same weight? Then this board has entered into an agreement with certain chain stores that they shall keep the retail price of Ontario potatoes at such a figure as to debar the sale of potatoes from the east. If this can go on under this marketing scheme it is readily seen how injurious will be the effect upon the potato growers of eastern Canada. If Ontario as a whole cannot supply the demand in the Toronto market they have to import, but until the Ontario crop is disposed of this semi-monopoly is maintained, detrimental to the interests of potato growers in the east.

Let me draw the attention of the minister to some other points which I consider should be clarified in the instructions issued. Under the scheme—

"Dealer" means a person who sells potatoes for resale or negotiates sales of potatoes for resale except persons selling potatoes only of their own production, within the province where produced.

Under that definition a grower may sell potatoes of his own growth within the province where produced. But in the definition of "marketing" there seems to be a contradiction, because—

"Marketing" includes buying and selling, shipping for sale or storage and offering for sale.

There is no exception of the grower such as is found in the definition of "dealer." That causes a great deal of uneasiness among growers and shippers in New Brunswick, especially in districts where farmers do not devote as much time and attention to the production of potatoes as they do in some of the larger sections of the province, but yet depend a great deal upon the potato market for their living. We find in the instructions issued by the central board, I think it is called, that sales of potatoes for delivery in Montreal, Quebec City and Ontario cities shall be made only to dealers as defined by the eastern Canada potato marketing scheme. This does not apply to potatoes shipped to the prairie provinces and British Columbia.

While I am on that point let me direct the attention of the minister to the fact that there are two grades of potatoes and, according to the instructions issued by the central board, each grade contains four or five different classifications. Under grade 1 there are four classifications, I think, for potatoes to be sold in the province of Ontario and the provinces east of Ontario, which would include Quebec and the maritime provinces. Under grade 2 you find potatoes graded for export, and this is different from the grade for sale in the provinces I have mentioned. That same grade for export, however, applies to potatoes from the east sold in the prairie provinces and British Columbia, and down there we want to know the reason for this difference. We claim that the grade for sale in Ontario, Quebec and the martimes should be the grade for sale in the prairie provinces and British Columbia, and that the growers or producers in the maritime provinces should not be forced to ship to those places potatoes graded for foreign shipment. Under grade 2, which covers potatoes for the west, the prairie provinces and British Columbia, you find nothing but the diameter system applied, while under the grade for Ontario, Quebec and the maritime provinces, our own potatoes produced in the maritime provinces for sale there are graded not on the diameter system but on the weight system. Our people would like to know the reason for this difference, because it greatly interferes with the sale of their product.

A few weeks ago I asked a question in order to ascertain how many meetings had been held in the province of New Brunswick to explain this new marketing scheme to the potato producers. The minister gave me the number; I think it was eighteen or more, but it does not make very much difference. I have attempted to discover how these meetings were called. Last October or November there was a meeting called in my own county, about sixteen miles from my home. It could not have been very well advertised, because I knew nothing about it and heard nothing about it. I should like to have heard of it; I should like to have attended that meeting. I found that the gentleman who is head of the affair in the northern counties held a meeting at Belledune, Gloucester county; another at Charlo Station, in Restigouche county, and another meeting at Balmoral, Restigouche county. At those meetings he told the people that the system of grading that was to be introduced would not affect the grading as it was carried on in New Brunswick in the past. What do we find? Those people have been deceived; the grading done to-day in New Brunswick is entirely different from the grading that was done previously under an act of parliament. They were told that there would be no difference, but the difference has been so great that in many places the farmers are unable to grade their potatoes for sale to dealers who buy them for resale, because under the regulations issued under the act and under this scheme when the farmer sells his potatoes to a dealer for resale those potatoes must be graded, and if he has not graded them he is liable to a fine of from $25 to $500, or to imprisonment. Under these rules the grading must be done by using expensive racking machines. In some parts of the province of New Brunswick I have no doubt that can be done to advantage. In the counties along the river St. John, in Carleton county, in Victoria, in Madawaska and in those counties bordering on the state of Maine, they can afford to do that, because they produce very large quantities of potatoes. But in other parts of the province, in northern New Brunswick, where the farmer produces for sale only say 150 to

200 barrels of potatoes, he cannot possibly grade them under these new regulations. So he must sell them under the condition that the purchaser for resale will grade them, and when that condition is imposed upon him by the purchaser the farmer has to take less per bag or per bushel for the potatoes he sells.

In laying this matter before the minister I was going to direct his attention to another situation which had developed, because up to that time the province of Quebec had not come under the marketing scheme, but the minister informed me the other day that within the last week or so the province of Quebec has come under that scheme.

Now I want to point out conditions which I am informed exist to-day under this scheme in Ontario. No doubt the minister has seen some of this in the press. I have not depended upon the reports appearing in the press; I have gone to some of the largest wholesale dealers and purchasers of potatoes from the maritimes, in the city of Toronto, in order either to have what I saw in the press verified or to have a definite denial made. From the information I have in my possession I find that in Ontario the regulations are not enforced with regard to their own production, but they are enforced very strictly in regard to potatoes imported from the maritime provinces. I think the minister will agree that this is correct, because representations were made only a week ago to the central board in Ottawa; this question was discussed and they promised to undertake to see that the situation was corrected. There is also what I consider another very effective means of preventing eastern potatoes from being sold in the province of Ontario or in the large cities as they have been in the past; I refer to the trucking system, the conveyance of potatoes by truck instead of by rail to point of destination, and those trucks not obeying the regulations laid down for transport under the new marketing scheme. My information is that there are constant violations of the regulations under this system of trucking. Not that I wish to argue that the transportation by truck of the farmers' produce should be done away with, but rather that the regulations governing the transportation of potatoes within a province or without a province should be observed. If they are not, what is the use of them? There is no use in having regulations at all if they are not observed, and the violation of these regulations does a great injustice to the producers of potatoes in other parts of Canada. If the price spreads commission had not already made its report, this might well be a subject worth while investigating, touching as it does the ethics of business.

Another thing. They fix a minimum price in Ontario, and the charge is made both in the press and by reputable wholesale dealers that that price is not being maintained. If that minimum price is not being maintained for Ontario potatoes, and the minimum price is being maintained for potatoes in the maritime provinces, it will readily be seen that an injustice is being done to the producers in other parts of Canada.

Here is another thing that the minister might look into. I do not know if the board has looked into it or not. I understand that the marketing board secured an agreement with the chain stores and larger retailers to maintain a minimum retail price in the city of Toronto. If that is the case, you have a monopoly. There are laws against monopolies, and as a monopoly is against proper business ethics it is time, if such a condition does exist, for the central board to interfere or for the Department of Agriculture to see what should be done under the circumstances.

The minister a few days ago made the statement in the house that New Brunswick or eastern potatoes were being sold to-day at a price far in excess of the price prevailing before this marketing scheme became effective. I hold in my hand a dispatch from the town of Woodstock, New Brunswick, one of the large centres of shipment of New Brunswick potatoes, addressed to the Telegraph-Journal, a newspaper of the city of Saint John, dated March 23, 1935, in which it states that "potatoes on Saturday were selling at twenty cents a barrel," not twenty cents a bag, but twenty cents a barrel. Now it may be said that the minister's statement was correct in regard to the price obtained by the dealer or shipper, but I am referring to the producer, and this dispatch refers to the producer. That is why I said that fixing a minimum price at point of destination like Montreal at 55 cents a bag while our growers are receiving only from 15 to 20 cents a bag is not right; it should not be allowed to go on in that way. I claim again that if you fix a minimum price at point of destination you should fix a minimum price also at point of production or point of shipment.

I do not wish to obstruct or prevent the passage of this item to-night, but I feel that I owe a duty to those I represent to bring these matters before the minister, and I felt that I would rather take up the time of the committee in bringing these complaints of the growers of certain sections of the maritime provinces to the attention of the minister himself than lay them before the central

board. I should like the minister to take into consideration the different points I have made, and if this item does not go through to-night perhaps the minister will be in a position when it comes up again to enlighten me on the different points I have brought to his attention.

Mr. WEIR (Melfort): Mr. Chairman, the hon. member for Gloucester (Mr. Veniot) having brought so many of these points to my attention, I am sure he realizes that an answer cannot be given to-night, but I shall immediately have instructions given to prepare an answer. A good deal of the information will be available in the office, and I shall send my hon. friend that information immediately and the rest as soon as it can be obtained.

Item stands.

Progress reported.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Monday, April 15, 1935

The house met at three o'clock.

ISABELLA SADLER RICE

Mr. L. G. BELL (St. Antoine) moved:

That the petition of Isabella H. Sadler Rice, presented on the 14th ultimo, praying for a bill of divorce from James Bedford Rice, together with the report of the clerk of petitions thereon, be referred to the standing committee on standing orders for the purpose of considering the suspension of standing orders 92 and 93 (3) (a) and (c) in relation thereof.

Motion agreed to.

RADIO BROADCASTING

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister) moved for leave to introduce Bill No. 60 respecting radio broadcasting.

Some hon. MEMBERS: Explain.

Sir GEORGE PERLEY: This bill has one section only and provides for the extension of the life and the powers of the radio commission for a couple of months in order that this matter may be dealt with more fully upon our return.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Mr. Speaker, this might be an appropriate moment to refer again to the designation of the introducer of this bill. This bill appears on the order paper in the name of the Prime Minister (Mr. Bennett) and my right hon. friend who has just introduced the bill (Sir George Perley) is either the Prime Minister or the acting Prime Minister, he cannot be both. I see no reason why bills should not appear on the order paper in the name of whoever may be the acting Prime Minister if he is responsible for the measure so that the records may be complete. I looked up the votes and proceedings of the house to see what had been done in 1919 when Sir Robert Borden was unfortunately indisposed and unable to be present in the house for a time. Sir George Foster was the acting Prime Minister at the time and I notice that bills and resolutions were introduced in Sir George's name when he was the acting Prime Minister. It may be the modesty of my right hon. friend which has caused him to omit putting in his own name when acting as Prime Minister, I have no doubt he has been appointed acting Prime Minister by order in council of the cabinet and that he is the acting Prime Minister. Measures that are brought in by my right hon. friend should be in his name. Further on, on the order paper, we have a notice for adjournment and it again is in the name of the Prime Minister. My right hon. friend did tell us the other day that the Prime Minister was keeping in touch with matters in the house, but I submit that that is not sufficient. The procedure with respect to public measures where it is of permanent record should not be designated otherwise than as is strictly accurate. I mention this again though I do not want to make any particular point of it except to see that the proceedings of parliament and particularly of this house are kept and of record in the regular way.

Sir GEORGE PERLEY: I have no particular objection to what my right hon. friend says except that when he accuses me of undue modesty he is making a great mistake.

Motion agreed to and bill read the first time.

PRIVATE BILL

FIRST READING

Bill No. 57, for the relief of Albertine Roberte Montpellier de Beaujeu—Mr. Bell (St. Antoine).

NEW WESTMINSTER HARBOUR

Hon. ALFRED DURANLEAU (Minister of Marine) moved for leave to introduce Bill No. 61, to amend the New Westminster Harbour Commissioners Act.

Some hon. MEMBERS: Explain.

Mr. DURANLEAU: The object of this bill is to empower the governor in council to determine a remuneration for the harbour commissioners of New Westminster for their services out of the revenue of the harbour. Hitherto the commissioners have served without remuneration and the business has been increasing every year since their incorporation. During the year 1934 they have made a splendid showing. They have met their operating expenses, the interest on debentures both to the public and the government, and they had a surplus of many thousands of dollars. I have not the particulars here but when the bill is in committee I will give the exact figures.

Motion agreed to and bill read the first time.

SOLDIER SETTLEMENT

Hon. W. A. GORDON (Minister of Labour) moved for leave to introduce Bill No. 62, to amend the Soldier Settlement Act.

Mr. McINTOSH: Explain.

Mr. GORDON: Strictly speaking, and in order to keep the record correct, this bill should not be in the name of the Minister of Labour but rather in the name of the acting Minister of Immigration and Colonization. The bill is designed to make permanent employees of the Department of Soldier Settlement Board. I think it is pretty well known to all members of the house that the employees of this department have always been deemed to be temporary, and the department has been functioning now for some sixteen years. In the last few years the department has taken on a great many duties with which formerly it had nothing to do—duties which will undoubtedly continue for many years to come. Their work has been, I think, highly satisfactory and it is my view and the view of the government that the time has come when these employees should be made permanent and given a chance to enjoy the benefits of the Superannuation Act.

Mr. GARLAND (Bow River): Is it also proposed to put them under the operation of the Civil Service Act?

Mr. GORDON: Yes.

Mr. MACKENZIE (Vancouver): How many are affected?

Mr. McPHEE: A good many of us are interested in this matter, and in order that we may the better discuss this bill when the time comes I would ask the minister to furnish the house at the appropriate time with answers to the following questions: 1. What are the names of the employees of the soldier settlement board who have been dismissed or removed from office since the present government came into office, giving positions held, salaries paid and where employed? 2. What are the names of the employees in this department who have been engaged since this government came into office, giving positions they hold, salaries paid, and where located? 3. Who made the survey in connection with the department and on whose recommendation were the dismissals and appointments made? The house will be better able to discuss the matter if the minister gives us this information at the proper time.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

PROPOSED TREATY WITH UNITED STATES

Mr. CHURCH:

Will any announcement be made by the government before the close of this session as to the present position of negotiations between the government of Canada and the government of the United States regarding the proposed treaty (a) as to the St. Lawrence waterway; (b) as to a treaty to preserve the scenic beauties of Niagara falls?

Sir GEORGE PERLEY: Perhaps I might be allowed to answer this question orally. It is impossible at the present time to give an answer to the question asked by the hon. gentleman, but I hope we shall be able to speak more definitely when the house reassembles after the adjournment.

ROYAL CANADIAN MOUNTED POLICE

Mr. VENIOT:

1. Who was in charge of patrol boat Bebee when she was ordered from Halifax to patrol work in New Brunswick in 1933?
2. How long did the captain, then in charge, remain in charge of said boat?
3. If any change took place in the position of captain, when did such change take place, and why was the change made?
4. Who was in charge during the season of 1934?

Mr. GUTHRIE:

1. Gwyn William Pritchard Jones.

2. From April 24, 1933, to June 22, 1933.

3. Reginald Ray Kennedy was appointed coxswain of the Bebee on July 3, 1933, and actually took charge of the boat on July 5, 1933. Gwyn William Pritchard Jones was discharged for cause.

4. Reginal Ray Kenney.

BOARD OF RAILWAY COMMISSIONERS*

Mr. REID:

1. Have any instructions been issued to the board of railway commissioners instructing them to revise or change or review the present railway freight structure in Canada or portions thereof?

2. If so, does any such order cover the railway rates existing between British Columbia and the other provinces?

3. If not, is the government considering issuing such an order to the board of railway commissioners as suggested by the hon. the Prime Minister, and will any such instructions include the railway rates on grain and grain products for use in the province of British Columbia from the three prairie provinces?

Mr. MANION: I think I can answer this question orally. No instructions have been issued to the board of railway commissioners to revise or change or review the present railway freight structure. The whole matter is under consideration.

GRANBY, QUE., POST OFFICE

Mr. HOWARD:

1. Were tenders called for repainting and interior decoration of post office at Granby, September, 1934?

2. What is the name of the lowest tenderer and what was his price?

3. Who got the contract and at what price?

4. Was a clerk of works appointed and who was he?

Mr. STEWART (Leeds):

1 to 3. Tenders wer called in July, 1934, but only one tender, that of Ovila Bouthiette for $894 was received. Subsequently, on July 23, 1934, a letter was received from Mr. Bouthiette in which he stated that after having made another inspection of the building he found that his price was much too low for all the work to be done and amended his tender to $1,474.35. New competitive tenders were therefore called, and three tenders, including that of Mr. Bouthiette, were received as follows:

Arsene Fortin..	$1,449 00
Ovila Bouthiette.	1,474 35
E. Lussier..	1,687 00

The contract was awarded to the lowest tenderer, Arsene Fortin, for $1,449.

4. No. The work was done under the supervision of the Department of Public Works' clerk of works, Montreal.

QUESTIONS PASSED AS ORDERS FOR RETURNS

MONTREAL, QUE., SEED DIVISION

Mr. DUGUAY:

1. Is Miss A. M. Bouchard, analyst, seed division, Department of Agriculture, Montreal, permanently employed?

2. If so, since what date?

3. Who signed her recommendation to the department and what members of the Civil Service Commission approved of same?

4. How many days of sick leave did such person take since June 1, 1934?

Mr. CAHAN: Return tabled herewith.

CANADIAN LEGATION IN TOKYO

Mr. POULIOT:

1. What percentage of interest has the Canadian government paid and still pays for the amount spent for the building of a Canadian legation in Tokyo?

2. What was the percentage of interest of the last issue of dominion bonds?

Mr. CAHAN: Return tabled herewith.

CANADIAN NATIONAL RAILWAYS—FINANCIAL STATISTICS

Mr. McGIBBON:

1. Up to and including December 31, 1934:

(a) What was the total capital cost of the Canadian government railways?

(b) What was the total amount of cash loans to the Canadian National Railways for capital expenditures?

(c) What was the total amount of cash loans to the Canadian National Railways for refunding and retirement of its obligations due the public?

(d) What was the total amount of cash loans to the Canadian National Railways for deficits?

(e) What was the total amount of contributions to the Canadian government Railways for cash deficits which have been absorbed in consolidated revenue fund?

(f) What was the total amount of contributions to the Canadian National Railways for cash deficits of eastern lines which have been absorbed in consolidated revenue fund?

(g) What was the total amount of contributions to the Canadian National Railways for other cash deficits which have been absorbed in consolidated revenue fund?

(h) What was the total amount of interest absorbed by the government in the consolidated revenue fund on account of money spent for items (a) to (g) inclusive?

2. (a) What was the amount of cash deficit of the eastern lines for the year 1934, which was absorbed by the government in the consolidated revenue fund?

(b) What was the amount of remaining deficit of Canadian National Railway system for the year 1934 which was so absorbed?

(c) What was the amount of interest absorbed by the government in the consolidated revenue fund during the fiscal year ending March 31, 1935, on account of money spent for items detailed in classes (a) to (g) inclusive, of question 1?

3. What was the amount of non-cash items of Canadian National Railways not taken up by the government for the year 1934 and what were the principal items?

4. What was the amount of non-cash items of the Canadian National West Indies Steamships not taken up by the government for the year 1934 and what were the principal items?

ST. JOHN'S, QUE., UNEMPLOYMENT RELIEF CAMP

Mr. RHEAUME:

1. How many unemployed were admitted to the unemployed relief camp at Saint-John's, from November 1, 1933, to March 1, 1935?
2. How many were dismissed from such camp?
3. In each case, who recommended such unemployed?
4. Were some of them employed on construction work on the grounds of the Saint-John's barracks?
5. Was the wage paid in excess of 20 cents per day?
6. If so, what are the names of the persons so employed, their occupation and their hourly rate of pay?
7. After the completion of such works, did they return to the camp as unemployed at 20 cents per day?

ST. JOHN'S, QUE., MILITARY SCHOOL

Mr. RHEAUME:

1. Who supplied the materials for all the works carried out at the military school at Saint-John's, and any other building erected on the grounds of the military school (a) cement; (b) stone; (c) sand; (d) lumber; (e) paint?
2. Were tenders called for in connection with these various materials?
3. What are the names of the tenderers and their tender prices?
4. What other persons were employed in connection with such construction works, apart from the unemployed, and what wage was paid to each such person?

SALARY DEDUCTION ACT

Mr. CHEVRIER:

What amount did the government realize by reason of (a) the deductions made from the salaries of the civil servants only, under the provisions of the Salary Deduction Act; (b) the withholding of statutory increases; (c) the stopping of promotions, during each of the years 1932, 1933, and 1934?

Mr. RHODES: In this connection I would like to point out that question (b) and (c) cannot be accurately answered. We will make the estimate as accurate as possible.

ROYAL COMMISSIONS

Mr. BERTRAND:

1. How many royal commissions have been appointed since August 7, 1930?
2. What was the purpose of each?
3. What did each such commission cost?

PERMANENT OR TEMPORARY COMMISSIONS

Mr. BERTRAND:

1. How many permanent or temporary commissions other than royal commissions have been set up since August 7, 1930?
2. What was the purpose of each?
3. What did each such commission cost?
4. How many are still functioning and at what annual cost?

Mr. CAHAN: In this connection may I ask the hon. member for Prescott (Mr. Bertrand) who placed the question on the order paper, whether he wishes the information with regard to all commissions permanent or temporary. Several departments have inquired whether in the answer are to be included single commissioners, such as in commissions of inquiry under the Combines Investigation Act, commissioners appointed by a minister for the investigation of matters relating to his own department or commissioners appointed to inquire into charges of partisanship. Does the hon. gentleman wish all these commissions inquired into or only the general commissions such as those inquiring into matters concerning the provinces?

Mr. BERTRAND: I am sorry I could not quite catch the sense of the explanation made by the minister. After I have read what he has said, I shall get in touch with a member of his department and arrange to get what is needed.

Mr. CAHAN: Both of these questions relating to commissions will stand as orders for returns.

EASTER ADJOURNMENT

RECESS FROM WEDNESDAY, APRIL 17, UNTIL MONDAY, MAY 20

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): If agreeable to my right hon. friend, I would move the following resolution that stands in the name of the Prime Minister:

That when this house adjourns on Wednesday, April 17th, it stand adjourned until Monday, May 20th next, at three p.m., daylight saving time.

Right Hon. MACKENZIE KING (Leader of the Opposition): I am pleased that my right hon. friend has seen his way to follow the correct procedure in the matter of the introduction of the motion, but I am not pleased with the resolution asking for such a long period of adjournment and the little regard that is paid thereby first of all to the wishes of the house, but more particularly to the needs of the country. I do not think it would be proper to let the motion pass without making another protest against the length of time asked for in this adjournment. I am not going to go over the arguments that were advanced in the course of debate a few days ago on this matter, but I wish to say that I do think the character of our political institutions is little by little being very materially changed. There was a time not so very long

ago when it was believed at least in theory that government was carried on by the consent of the governed, but it can hardly be said that such has been the view entertained by the present administration since it took office. There is nothing more apparent than the fact that the government for a long time past has not enjoyed the confidence of the people of the country.

Mr. DURANLEAU: No, no. The right hon. gentleman is entirely mistaken.

Mr. MACKENZIE KING: I hear some hon. gentlemen opposite saying: No, no. I do not know whether it is their hearing or their eyesight that is defective, but certainly after losing nine by-elections in succession they must have had some intimation of the fact that the country has completely lost confidence in them. Not only have they lost nine by-elections in succession, but their party has lost several provincial elections all of which have been fought largely on federal issues.

Sir GEORGE PERLEY: I do not want to interrupt the right hon. gentleman, but I must say I am rather surprised he is starting to discuss this again. We had it under debate for two days. This is simply a reiteration of debate that took place before.

Some hon. MEMBERS: No, no.

Mr. MACKENZIE KING: This is a specific motion dealing with the question of adjournment and apparently the discussion of two days has fallen on deaf ears. I am trying, as I have said, not to reiterate what has been said, but simply to emphasize in a few words the seriousness of the indifference which the government apparently is showing to the needs of the country, to the public interest. A long adjournment at this time does mean—

Some hon. MEMBERS: Order.

Mr. MACKENZIE KING: I notice hon. gentlemen opposite seem to think I am out of order. If I am, I shall stop, but I do not think I am. It is quite in order to discuss this motion.

Hon. E. N. RHODES (Minister of Finance): My right hon. friend has been so kindly in his reference to the question of order that I would not have risen to a point of order because the widest latitude is shown to the leaders of the respective parties especially under circumstances such as this, but I feel if my right hon. friend proceeds at any length to debate this motion, other hon. gentlemen could claim the same right. As a matter of fact my right hon. friend is debarred from further debate, because this subject has been debated and decided at this session of parliament.

Mr. MACKENZIE KING: No, the debate was on an amendment to a motion to go into committee of ways and means.

Mr. RHODES: That was the vehicle, but nevertheless it was a debate. The rule is with respect to debate.

Mr. MACKENZIE KING: I am quite prepared to abide by the ruling of the Speaker, but I should be surprised if his honour ruled against me in regard to this motion, which is a substantive motion, and I am speaking immediately to it. However, I will relieve my hon. friend's anxiety by saying that I am not going to speak at any length. The point to which I wish to direct particular attention is this, that the public interest is the interest to which this parliament should give first consideration. I submit that the longer we delay permitting the public to express itself with respect to the government that is to carry on the business of this country for the next few years, the more we are going to prejudice the public interest in Canada. Hon. gentlemen know very well that until a general election is over it will not be possible for business to settle down in any normal way, nor will it be possible to hope for the normal and natural revival which we trust will come after a general election. I say this irrespective of the particular government that may be returned. The other day I heard someone refer to the presidential election year in the United States as a year in which very little progress is made with business, because of uncertainty as to what may result at the end of the election. Unfortunately next year will be the presidential year in the United States, there will be uncertainty there, from which this country will suffer in part. But if we are to wait until after midsummer and on into the fall of this year before the general election takes place business in Canada is going to be very materially prejudiced.

One pretext after another has been used by the government for continuing itself in office. After the by-elections of last fall, when we had what was spoken of as a miniature general election and government candidates were not only defeated but slaughtered everywhere, we were told that it was impossible to have a general election then because voters' lists were not ready. When parliament reassembled I spoke about the lists and my hon. friend the Secretary of State (Mr. Cahan) told us that the lists would not be ready until about April 15, but

that they would be ready by that time. To-day is April 15. I think at that time the country had reason to hope that the lists being ready by April 15 it might expect a general election towards the end of April or early in May. Now the revision of the lists is being made, and I suppose we shall be told later that until the revision is completed we cannot hope to have a general election. The revision will probably take until July or August. That means that it will possibly be some time in September when the new government that is elected assumes office or the present government is confirmed in office.

Whether hon. gentlemen opposite are returned to office or another government is elected, it will take some little time after the election before the new administration whichever it may be, can begin to introduce and enforce its policies for the improvement of employment, the relief of unemployment, the furtherance of trade and the like. Also until after there has been a general election there will not be opportunity for any government satisfactorily to negotiate agreements with respect to trade. Until after a general election nothing can be done, for example, with respect to the revision of the Canada-United Kingdom agreements, nor is it likely that anything can be done satisfactorily with respect to a reciprocal trade agreement with the United States. Nor is it probable that any government in Europe, America or Asia will negotiate with the administration in this country until after the people have spoken. That means that with respect to the bringing about of such changes in conditions as can be effected through negotiations with other countries all this will be delayed until on into the fall. Being delayed that long means that winter will be approaching, and that the effect of any arrangements will not be felt until the year following. It will be too late for new markets. I think it is most unfortunate that such should be the case. The election should have been held last year, as hon. gentlemen well know. Now we are prolonging the session, not with a view of suiting the needs or interests of the country, or even considering the interests and the wishes of parliament, but simply to enable a moribund government to perpetuate itself longer in office in the hope that, not yet being able to win as far as they can see yet, something may turn up before the last moment arrives which will help to save the day.

I protest again against this delay because t means that we shall come back at the atter part of May, be held here possibly through the greater part of the summer, and then there will be further delay before the general election. I think there is material enough, with the business on the order paper and what we have now before us in the form of reports, to enable us to continue after a recess of a few days, and thereby expedite the moment at which the people will come into their real and long denied right of expressing their wishes in a general election.

Sir GEORGE PERLEY: I do not propose to answer the argument of the right hon. gentleman again or to traverse what we went through the other day. I feel very definitely that the remarks of the right hon. gentleman are entirely out of order, but we simply did not wish to interrupt him, on account of the latitude that is given to the leader of the opposition. Therefore in order not to continue a debate of that kind I do not propose to discuss the matter any further.

The house divided on the motion (Sir George Perley) which was carried on the following division:

YEAS

Messrs:

Arsenault	Manion
Arthurs	Morand
Barber	Mullins
Belec	Murphy
Bowen	Myers
Bury	Peck
Carmichael	Perley (Qu'Appelle)
Chaplin	Perley, Sir George
Cotnam	Pettit
Cowan	Porteous
Davies	Price
Dickie	Quinn
Duranleau	Rhodes
Ernst	Senn
Fraser (Cariboo)	Shaver
Gagnon	Short
Ganong	Smith (Victoria-Carleton)
Gardiner	Smith (Cumberland)
Garland (Carleton)	Smoke
Gobeil	Speakman
Gordon	Spencer
Hanson (York-Sunbury)	Sproule
Irvine	Stanley
Johnstone	Stewart (Leeds)
Kennedy (Peace River)	Stewart (Lethbridge)
Kennedy (Winnipeg South Centre)	Stirling
Lawson	Stitt (Nelson)
Loucks	Stitt (Selkirik)
Lucas	Sullivan
Luchkovich	Sutherland
Macdonald (Kings)	Swanston
Macdougall	Tétreault
MacMillan (Saskatoon)	Thompson (Lanark)
McGibbon	Turnbull
McGillis	Weese
McGregor	White (Mount Royal)
McLure	Willis
	Wright—75.

NAYS

Messrs:

Bouchard	McKenzie (Assiniboia)
Boulanger	McKinnon
Bradette	McPhee
Brasset	Marcil
Brown	Michaud
Chevrier	Munn
Donnelly	Neill
Duff	Parent
Fiset, Sir Eugène	Pouliot
Fournier	Power
Goulet	Ralston
Gray	Reid
Hanson (Skeena)	Sanderson
Howden	Stewart (Edmonton West)
Hurtubise	Totzke
Ilsley	Veniot
Mackenzie (Vancouver Centre)	Weir (Macdonald)—35.
McIntosh	

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Anderson (Toronto-High Park)	Mulock
Anderson (Halton)	Factor
Baker	Bertrand
Baribeau	Beaubien
Barrette	Rhéaume
Beaubier	Ahearn
Bell (Hamilton)	Mercier (St. Henri)
Bell (St. Antoine)	Raymond
Bell (St. John-Albert)	Dubois
Bennett	King
Beynon	Euler
Boyes	Mills
Burns	Butcher
Cahan	Rinfret
Cantley	Cardin
Casselman	Howard
Charters	Blair
Dorion	Verville
Duguay	Dumaine
Dupré	Ferland
Edwards	Elliott
Embury	Bothwell
Esling	Hanbury
Fortin	Fafard
Geary	Mercier (Laurier-Outremont)
Gott	Rutherford
Guthrie	Lapointe
Hackett	Perras
Harris	Jacobs
Jones	MacLean
Laflèche	Girouard
Larue	Thauvette
Laurin	Fontaine
MacDonald (Cape Breton)	Urquhart
MacNicol	Rennie
McDade	Dupuis
Maloney	Young
Matthews	Moore (Ontario)
Moore (Châteauguay-Huntingdon)	Dubuc
Plunkett	Campbell
Robinson	Desrochers
Ross	Roberge
Rowe	Lacroix
Ryerson	Taylor
Sauvé	Séguin
Simpson (Algoma)	Casgrain
Spence	Fraser (Northumberland)
Spotton	MacMillan (Mackenzie)
Stevens	Malcolm
Stinson	Hall
Thompson (Simcoe)	Jean
Tummon	St-Père
Weir (Melfort)	Motherwell
White (London)	Gershaw
Wilson	Vallance
Hay	Golding

92582—173½

Mr. GOTT: I was paired with the hon. member for Kent, Ont. (Mr. Rutherford). Had I voted I would have voted for the motion.

Mr. McDADE: I was paired with the hon. member for Laprairie-Napierville (Mr. Dupuis). Had I voted I would have voted for the motion.

Mr. MacNICOL: I was paired with the hon. member for South Oxford (Mr. Rennie). Had I voted I would have voted for the motion.

Mr. CANTLEY: I was paired with the hon. member for Richelieu (Mr. Cardin). Had I voted I would have voted for the motion.

Mr. MacDONALD (Cape Breton South). I was paired with the hon. member for Colchester (Mr. Urquhart). Had I voted I would have voted for the motion.

Mr. CAHAN: I was paired with the hon. member for St. James (Mr. Rinfret). Had I voted I would have voted for the motion.

Mr. CASSELMAN: I was paired with the hon. member for Sherbrooke (Mr. Howard). Had I voted I would have voted for the motion.

Mr. MATTHEWS: I was paired with the hon. member for Ontario (Mr. Moore). Had I voted I would have voted for the motion.

Mr. RYERSON: I was paired with the hon. member for Norfolk-Elgin (Mr. Taylor). Had I voted I would have voted for the motion.

Mr. THOMPSON (Simcoe): I was paired with the hon. member for Maisonneuve (Mr. Jean). Had I voted I would have voted for the motion.

Mr. ESLING: I was paired with the hon. member for Vancouver-Burrard (Mr. Hanbury). Had I voted I would have voted for the motion.

Mr. SIMPSON (Algoma): I was paired with the hon. member for Charlevoix-Saguenay (Mr. Casgrain). Had I voted I would have voted for the motion.

Mr. CHARTERS: I was paired with the hon. member for North Wellington (Mr. Blair). Had I voted I would have voted for the motion.

Mr. ANDERSON (Halton): I was paired with the hon. member for Toronto West Centre (Mr. Factor). Had I voted I would have voted for the motion.

Mr. ROBINSON: I was paired with the hon. member for Portneuf (Mr. Desrochers). Had I voted I would have voted for the motion.

Mr. WHITE (London): I was paired with the hon. member for Medicine Hat (Mr. Gershaw). Had I voted I would have voted for the motion.

Mr. ST-PERE: I was paired with the hon. member for South Hastings (Mr. Tummon). Had I voted I would have voted against the motion.

Mr. BOTHWELL: I was paired with the hon. member for Hastings-Peterborough (Mr. Embury). Had I voted I would have voted against the motion.

Mr. MERCIER (Laurier-Outremont): I was paired with the hon. member for Toronto South (Mr. Geary). Had I voted I would have voted against the motion.

Mr. VALLANCE: I was paired with the hon. member for Wentworth (Mr. Wilson). Had I voted I would have voted against the motion.

Mr. BEAUBIEN: I was paired with the hon. member for Champlain (Mr. Baribeau). Had I voted I would have voted against the motion.

Mr. MACKENZIE KING: I was paired with the right hon. the Prime Minister (Mr. Bennett). Had I voted I would have voted against the motion.

Mr. MULOCK: I was paired with the hon. member for Toronto-High Park (Mr. Anderson). Had I voted I would have voted against the motion.

Mr. CAMPBELL: I was paired with the hon. member for Victoria (Mr. Plunkett). Had I voted I would have voted against the motion.

Mr. MILLS: I was paired with the hon. member for East Middlesex (Mr. Boyes). Had I voted I would have voted against the motion.

Mr. DORION (Translation): I was paired with the hon. member for Lotbinière (Mr. Verville); otherwise, I would have voted for the motion.

[Mr. Simpson.]

Mr. LAFLECHE (Translation): I was paired with the hon. member for Drummond-Arthabaska (Mr. Girouard); otherwise, I would have voted for the motion.

Mr. DUPRE (Translation): I was paired with the hon. member for Joliette (Mr. Ferland); otherwise, I would have voted for the motion.

Mr. FAFARD (Translation): I was paired with the hon. member for Lévis (Mr. Fortin); otherwise, I would have voted against the motion.

Mr. PERRAS (Translation): I was paired with the hon. member for Stanstead (Mr. Hackett); otherwise, I would have voted against the motion.

Mr. DUBOIS (Translation): I was paired with the hon. member for St. John-Albert (Mr. Bell); otherwise, I would have voted against the motion.

Mr. BERTRAND (Translation): I was paired with the hon. member for Toronto-Northeast (Mr. Baker); otherwise, I would have voted against the motion.

VALCARTIER UNEMPLOYMENT CAMP

On the orders of the day:

Mr. C. G. POWER (Quebec South): Mr. Speaker, I should like to draw to the attention of the Minister of National Defence (Mr. Stirling) a complaint which I have received from persons residing in the district of Quebec to the effect that owing to the activities of the unemployed quartered at the Valcartier camp a large number of summer residences in the vicinity have been broken into and acts of vandalism committed, and I am asked to transmit the request of respectable citizens of Quebec and vicinity that these activities of the unemployed at Valcartier camp may cease forthwith.

Hon. GROTE STIRLING (Minister of National Defence): Mr. Speaker, I would draw the hon. member's attention to the fact that prosecutions of acts of depredation such as he has referred to are entirely in the hands of the Department of Justice of Quebec.

Mr. POWER: I call the attention of the minister to the fact that he is responsible for having 1,700 men there, and he cannot get away from it.

PUBLIC WORKS CONSTRUCTION ACT

INQUIRY CONCERNING ALLEGED INCOMPLETE RETURN OF INFORMATION

On the orders of the day:

Mr. J. E. MICHAUD (Restigouche-Madawaska): Mr. Speaker, I have a question I

should like to direct to the Minister of Marine (Mr. Duranleau) respecting orders in council tabled by him on April 12 under the Public Works Construction Act. In orders in council Nos. P.C. 1843 and P.C. 3224, references are made to contracts annexed thereto being made by the minister on behalf of His Majesty with the St. John Drydock and Shipbuilding Company, Limited. I direct the attention of the minister to the fact that the exhibits are not attached to the copies tabled, neither are they found in the return. I should like him to be kind enough to supply me with copies of these two contracts as well as with the correspondence referred to in such orders in council, and which should have been attached thereto, passing between the auditor general, the comptroller's staff, the Department of Marine and Fisheries and the Department of Justice.

Hon. ALFRED DURANLEAU (Minister of Marine): Mr. Speaker, I shall be pleased to look into the matter, see what has been tabled and if necessary complete the file.

THE KING'S SILVER JUBILEE

DISTRIBUTION OF MEDALS IN COMMEMORATION OF EVENT

On the orders of the day:

Mr. E. R. E. CHEVRIER (Ottawa) (Translation): Mr. Speaker, I wish to direct a question to the hon. Minister of Finance (Mr. Rhodes).

On April the 11th, page 2622 of the debates, the hon. Minister of Finance, answering a question from the hon. member for Swift Current (Mr. Bothwell), said:

> I find that the master of the Royal Canadian Mint, acting on behalf of the Royal Mint at London, has received a quantity which he has arranged to be distributed through the ...

The names of five English Canadian firms are then given.

I do not know what the authority of the Finance minister in this matter may be, as far as the master of the Royal Canadian Mint is concerned, but may I ask the minister if he will be kind enough to see the master of the Canadian Mint and make sure that the latter will extend to French Canadian firms the same privileges as those granted English Canadian ones.

Hon. E. N. RHODES (Minister of Finance): Mr. Speaker, the house will appreciate that the Master of the Mint is not in the habit of merchandizing, and the distribution of the silver jubilee medals was not a merchandizing proposition. He was acting upon the request of the royal mint in London to distribute medals for sale in a quantity which it was felt the market would consume. I do not quite understand how the question would arise as to having distribution through French Canadian firms, because my hon. friend will appreciate that those who are distributing the medals are incorporated companies, all of them. I believe it would be fair to assume that those companies would have French speaking employees and French speaking shareholders. If the companies were French I take it, conversely, that English employees and English shareholders would not be debarred.

I do not know that the subject could be elucidated any further by making inquiries from the master of the mint, although I shall be happy to do so. In conversation with him he advised me there were now some people desirous of distributing the medals and taking advantage of the advertising, which is being paid for by those companies who have the distribution in hand, although when approached by the master of the mint in the first place they were not interested.

BANK OF CANADA

DISTRIBUTION OF BANK NOTES IN FRENCH LANGUAGE

On the orders of the day:

Hon. CHARLES MARCIL (Bonaventure): Mr. Speaker, may I ask the Minister of Finance a question, the answer to which may remove some misunderstanding which exists. I notice that according to articles appearing in some French Canadian newspapers notes of the Bank of Canada printed in the French language are hard to obtain. Would the minister tell me what the rule is regarding the printing of bills in both languages, so as to remove any ill feeling which may develop in the matter?

Hon. E. N. RHODES (Minister of Finance): The statute provides that notes in both the French and English languages shall be available to those requesting them. If the circumstance exists whereby any particular branch of a bank is not making those notes available it is a matter which should be directed to the attention of the bank. I imagine a condition such as the hon. member has described must have arisen through sheer inadvertence, because the statute is there.

BUSINESS OF THE HOUSE

INQUIRY AS TO LEGISLATION IN ADDITION TO THAT ALREADY ANNOUNCED

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Mr. Speaker,

before the adjournment on Wednesday will the acting leader of the government be able to advise the house as to whether or not when we resume there will apart from what appears on the order paper be legislation in addition to the bills based on the report of the price spreads commission and the housing committee, and if so of what nature such legislation may be? May I ask, further, after the house adjourns and before it reassembles if it would be possible to let me, as leader of the opposition have copies of such bills as the government may intend to introduce, and as may be drafted, a little in advance of the reassembling of parliament. That is a practice which on former occasions has been followed by governments, and might help to expedite business.

Mr. HANSON (York-Sunbury): It might get into the newspapers.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): I shall answer the right hon. gentleman to-morrow.

POST OFFICE EMPLOYEES

On the orders of the day:

Mr. E. R. E. CHEVRIER (Ottawa) (Translation): Mr. Speaker, as the Postmaster General (Mr. Sauvé) is not in his seat for the moment, I will address my question to the Solicitor General: Is it true that, owing to a ruling of the Post Office Department, Easter Monday, the King's Birthday, June 3rd, and Remembrance Day, November 11th, will not be holidays this year for employees in that department? If instructions have been given to that effect, have they been given with the Postmaster General's approval?

Mr. DUPRE (Solicitor General) (Translation): As the Postmaster General is not in his seat, with the hon. member's consent, I will call my colleague's attention to the question, so that the hon. member may receive a prompt answer.

BUSINESS OF THE HOUSE

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Mr. Speaker, when I asked the acting Prime Minister (Sir George Perley) a moment ago if he would favour me with information in connection with any legislation which might be drafted during the recess in advance to the reassembling of parliament, I was asking for the granting of a courtesy frequently extended by the government to the leader of the opposition in order to facilitate discussion later on. However, as I heard the Minister of Trade and Commerce (Mr. Hanson) say at the time I made the request that it might mean that information concerning the legislation might get into the press, I now ask that my request in this connection be disregarded by the government.

CANADIAN NATIONAL RAILWAYS

DENIAL OF STATEMENT THAT GOVERNMENT HAD INTERVENED TO INFLUENCE OR SUPPRESS DISCUSSION BY JUDGE FULLERTON OF RAILWAY PROBLEMS

On the orders of the day:

Mr. W. W. KENNEDY (Winnipeg South Centre): Mr. Speaker, I should like to direct the attention of the Minister of Railways (Mr. Manion) to an article which appeared in the Winnipeg Free Press of Saturday, April 13. This article makes a brief reference to the interruption by the minister of the speech of the financial critic of the opposition (Mr. Ralston) on the budget, and states:

> But it is not hard to guess what Colonel Ralston intended to say. He was about to make a statement that after Judge Fullerton made a statement in Halifax last summer defending the Canadian National from the attacks of Mr. Beatty and the other advocates of "unification" (a blessed word this, so different from "amalgamation"!) he was told by the government not to offend Mr. Beatty and the government in this respect again.
>
> It will be remembered that at the time various ministerial newspapers were scandalized at Judge Fullerton's temerity in talking back. They were, it now appears, reflecting the views of Mr. Bennett and Dr. Manion.

I should like to know if that statement is founded either on fantasy or fact.

Hon. R. J. MANION (Minister of Railways and Canals): Mr. Speaker, the hon. member was good enough to let me know that he was going to ask this question and I checked up the statement made by Judge Fullerton last year in the railways and shipping committee. As a matter of fact, I had already done this as other newspapers had taken somewhat the same attitude with regard to the statement made this year in the committee. I should like to quote a couple of sentences from the statement made in the committee last year by Judge Fullerton, I am glad to have this opportunity as I do not like being painted as a traitor to my country, as I have been in articles of this sort. Judge Fullerton is reported on page five of the minutes of proceedings of the committee held last year as follows:

> There is one other matter to which I must refer. Reference was made by a member of the committee to public addreses delivered by

the president of the Canadian Pacific Railway, and I was asked to comment on these. It had not been my intention, for reasons which I shall later state, to refer to these speeches or to the efforts which are presently being carried on to promote the idea of amalgamation or, failing that, unified management of the two great railway systems, but since the matter has been raised in the committee I feel it my duty to make a brief statement.

Later on he speaks of having sent out some propaganda to the employees of the Canadian National Railways, and he says:

The results, it is believed, have been a strengthening of the morale of the employees. There is, however, a different attitude to be taken towards public discussions of these questions on the part of the trustees.

And again:

The trustees of the Canadian National Railways felt that if they were to carry out the obligation thus imposed upon them by parliament itself, they could not, consistently with their duty, enter into any argument or discussion in reference to subject matters which were expressly forbidden by parliament itself,—

He then goes on to state that section 27 of the Railway Act forbade such discussion and the trustees did not feel that they had any right to discuss the matter. On the following page he says:

The trustees have by their oath of office assumed the responsibility of carrying out on their part the terms of the act of parliament, and any attempt by them to publicly answer propaganda urging amalgamation or unified control might, and probably would, place them in a false position.

There might well be an even more serious result. The essence of all cooperative plans is goodwill and earnestness towards the accomplishment of the object in view. The public controversy of the nature indicated, as well as being improper on the part of the trustees, would, because of its futility, raise obstacles in the way of the plan of cooperation.

What I am seeking to do is to make clear the reasons which, even if I were minded to do so, prevent me from combating propaganda in a battle of words.

A little later the hon. member for Vancouver-Burrard (Mr. Hanbury) and the hon. member for North Waterloo (Mr. Euler) complimented Judge Fullerton on his statement. Apparently this is the reason why Judge Fullerton has not been making any replies. I make the positive statement that Judge Fullerton has never at any time been instructed by me or the government, to my knowledge, to refrain from making any speech which he might choose to make. I say here publicly that Judge Fullerton is as much at liberty to make any speech as is Mr. Beatty. The statement made in the Winnipeg Free Press is false in every word and line and merely illustrates the general perverted attitude of the editor of that paper. I am not referring to the representatives of that paper located in Ottawa, but when the editor of the Winnipeg Free Press writes upon political matters he never tells the truth if a falsehood will serve.

Hon. J. L. RALSTON (Shelburne-Yarmouth): Mr. Speaker, since my name has been brought into this matter may I be permitted to point out to this house that my reference was not to what was said last year in the committee by Judge Fullerton in connection with amalgamation or unification; my reference was to Judge Fullerton discussing the situation in Halifax with regard to the Canadian National Railways. I felt that Judge Fullerton had not been given the opportunity which he ought to have been given to explain fully this situation and to answer some criticism which had been made not only by the public generally but by the minister himself.

Mr. MANION: The hon. gentleman is almost charging me with stopping Judge Fullerton from making a reply.

Mr. RALSTON: With criticizing the Canadian National Railways.

Mr. MANION: I never criticized; I helped to cure the condition of the Canadian National left by my hon. friend and his hon. friends. Judge Fullerton is just as much at liberty to make a statement in connection with the matter referred to by my hon. friend as he is in connection with any other matter. In fact, we have not the power to stop Judge Fullerton from making any statement he likes at any time and at any place.

Mr. MARCIL: Would such statements be binding on the government?

Mr. MANION: Certainly not.

CANADIAN NATIONAL RAILWAYS

PROVISION FOR EXPENDITURE, INDEBTEDNESS AND THE REFUNDING OF MATURING OBLIGATIONS

Hon. E. N. RHODES (Minister of Finance) moved that the house go into committee on Bill No. 24, respecting the Canadian National Railways and to authorize the provision of moneys to meet expenditures made and indebtedness incurred during the calendar year 1935.

Motion agreed to and the house went into committee, Mr. Morand in the chair.

On section 1—Power to issue notes.

Mr. POULIOT: I forwarded to the Minister of Railways (Mr. Manion) a copy of a protest which I had received from em-

ployees of the Canadian National Railways against certain work being done outside of the shops which could have been done by the railways. Is the minister ready to make a statement in this connection?

Mr. MANION: I assume the hon. member is referring to equipment orders?

Mr. POULIOT: Yes.

Mr. MANION: Other hon. gentlemen have sent me similar representations. Representations have also been received from different shops of the Canadian National and the Canadian Pacific railways. I might say that in the public works bill to be introduced the government will be given power to deal with these matters in so far as equipment is concerned. Of whatever money is spent in connection with equipment, a certain proportion will be kept for repairs so that the shops of both the Canadian National Railways and the Canadian Pacific Railway will have an opportunity to increase the work of their employees.

Mr. POULIOT: I hope they will have the first opportunity.

Mr. EULER: On a previous occasion money was given outright to the railways to afford them assistance in connection with unemployment. Does the bill before us contemplate anything of that kind or will the guarantee relate entirely to debts which it is hoped will be repaid if the money is actually lent or guarantees in full are released? Are you making a gift of any sort to the railways in connection with unemployment relief by providing labour in railway shops?

Mr. MANION: I doubt whether I should give that at the moment because it will come up later on, but I have no objection to giving the information now. The only thing that will be given either of the railways directly will be interest for two years on the money supplied for the purchase of equipment. The government intends to give to both railways the interest for two years, but outside of that both railways are expected to pay back the money. Needless to say the Canadan National Railways in its present financial position will not be able to do that unless business increases to a very large extent, and therefore in all probability this equipment over a period of fifteen years will be paid for completely by the government of Canada.

Mr. EULER: Take the Canadian Pacific Railway. Are they going to issue bonds which will be guaranteed by the Canadian government, or what form does the guarantee take?

Mr. MANION: That matter is being canvassed at the present time between both railways and the government. It will probably be in the form of a guarantee of notes of some kind, but I should not like to go too definitely into the question because the details have not been completely worked out.

Mr. EULER: Will the bill contain that?

Mr. MANION: I do not think so. I shall be glad at that time, if we have worked it out, to give complete information, but I think the bill will be in general terms.

Mr. SANDERSON: As regards new equipment for the Canadian National Railways, I have asked the minister several questions this session and I have certain remarks to make. I do not want to detain this bill; I should prefer to wait until the other matter is being discussed.

Mr. MANION: That is appropriate.

Mr. GARDINER: Will the minister give the committee some particulars in connection with expenditures under paragraph (a)? Is that for equipment already bought or new equipment?

Mr. MANION: Any money in this connection will, I assume, be for equipment purchased in the past. There is nothing dealing with equipment in the future.

Mr. GARDINER: Does that apply to paragraph (b), so far as construction and betterments are concerned?

Mr. RHODES: This is only the funding bill, comparable to the bill passed last year. It has already been passed on by the committee on railways and shipping.

Section agreed to.

Sections 3, 4 and 5 agreed to.

On the preamble.

Mr. MARCIL: I do not want to enter into any long discussion of this matter, but I do not hold the Minister of Railways responsible, in connection with the question I am going to discuss, because he has repeatedly declared on the floor of the house that he has nothing to do with the administration of the Canadian National Railways—the whole thing rests with the trustees and the management of the road. In justice to my constituents, and in view of the resolution adopted a few days ago by the county council of Bonaventure, I must protest once more against

the policy followed in that constituency. First of all, as regards the shops, it is claimed that the work is being removed gradually from the shops at New Carlisle and the day is not far distant when those shops will be closed entirely. A good deal of the work that could be done there is being done at Campbellton or Moncton, to the great disadvantage of the railway men who have settled at New Carlisle. It is unjust to these men who have their residences there and have settled in the district. They are being turned away gradually, one after another, and the day is not distant when the shops will disappear entirely. The people of that constituency were under the impression, when the Gaspé railway was taken over, that what work could be done not only in Bonaventure but in the Gaspé district would be done in the shops at New Carlisle, and these men have protested that this is not being followed out. Work that could be done at New Carlisle is being done either at Campbellton or at Moncton. That is the first point.

The second point of complaint is as regards the terminus at Matapedia. When the Chaleur bay railway was built, with provincial subsidy, it was stated in the act that the terminus of the railway would be in the province of Quebec on the banks of the Restigouche river. For thirty or thirty-five years the terminus was at Matapedia in the province of Quebec, but the road was subsidized by the dominion and ultimately taken over by the Canadia National Railways, and they have transferred the terminus from Matapedia to Campbellton, New Brunswick. When the train reaches Matapedia it goes back eastward thirteen miles to Campbellton where the terminus is now located. The whole population of Matapedia valley and the county of Bonaventure, irrespective of party, have protested time and again against this action. The hon. member for Matane (Mr. Larue), a strong supporter of the government at the present time, as he has been for the last five years, attended a meeting held at Matapedia where I was present and he protested strongly against this change being made. It is an injustice to that part of the county and should be remedied. The government may say that the administration has been handed over to the Canadian National Railways, and so on and so on; but when voting day comes along—and that day will come soon now—they will be held responsible for what has been done in Bonaventure county in the last five years.

I think some pressure should be brought to bear on the administration of the Canadian National Railways to give the people on the Gaspé coast their fair share of the work that is being done. That is the second point.

The third point is as regards the purchase of railway ties. A few days ago I wrote to Mr. Hungerford, asking for information in regard to all tenders for ties in Bonaventure county and the reply I received, which was similar to the reply given the year before, was that it was contrary to the public interest to give figures, but he gave me the figures for the previous year. The people of St. Charles de Caplan, St. Alphonse de Caplan, New Richmond and Bonaventure, and all that district where these ties are being bought, claim that they are underpaid. They say that the price paid the contractors is out of proportion to what is received by the farmers who supply these ties. The claim is that the farmers are not getting a fair price. Is that so? I am not in a position to say, but as the representative of that county I think that when we are called upon to vote millions of money to a company who refuse to give us elementary information, we have a right to protest, because we are entitled to have that information.

This is another instance of the ill feeling which is being created in that part of the country against the administration of the Canadian National Railways. I do not want to blame the Minister of Public Works (Mr. Stewart, Leeds) at the present time for the very extensive outlay that he is and has been carrying on in the county of Bonaventure in the last four years. Public wharves that have been built in my time during the last thirty years are being improved in order to bring them to a state of efficiency, and in addition to that he is building a number of new public wharves. Those wharves of course will be required for water transportation, but the water transportation there works contrary to the interest of the Canadian National Railways, and that railway will probably show a large deficit this year as it did the year before on the administration of the Gaspé line. I cannot protest against those wharves being kept in repair and others being built if they are necessary, but if such large amounts are being spent to enable water transportation to be carried on, surely something should be done in the interest of the railways and of their employees as well as in that of the people who look to the government to have their interests in this connection protected. Of course the answer is a very poor one, but the minister I understand cannot do otherwise than say that the administration of the road rests with the commission, which is a creation of parliament; but I would not be doing my duty did I not bring these grievances to the attention of the house.

Mr. MANION: The hon. gentleman is a very honourable gentleman, an old friend of mine of some thirty years standing, and being

the honourable gentleman I know he is, he will I am sure correct the notion in the minds of the people of his section of the country that the government has anything whatever to do with the opening of shops either in his section or in any other, because he has submitted this to me many times, as have a number of others including the former defeated candidate and various other people in his section. I have done all I could in the matter so far as submitting it to the management of the railways is concerned, but they take the attitude that they consider the railway as served now by shops to be served in the most economical manner, and they submit that if they make any changes, they will be doing injury to the economic position of the railways. That being the case, my hon. friend knows very well—and indeed he said so himself a few moments ago—that the management are in entire control, and therefore I have no power to order them in any shape or form to change their plans.

As regards the question of ties, the hon. gentleman also submitted that matter to me, and I think Mr. Fullerton, in giving him the reply he spoke of, gave him exactly the same reply as is given to other members when they ask for prices of ties or other materials in the current year; he gave to my hon. friend the orders for ties and I assume the prices as given the previous year. That is the usual custom.

Mr. VENIOT: Mr. Hungerford.

Mr. MANION: After I have finished I will answer my hon. friend. Again I have no power to order Mr. Fullerton or Mr. Hungerford to give more information than that. I have nothing to do with the orders for ties. Indeed I think I pointed out to the committee the other day that I was out of the city ill when the orders for ties were given this year, and I was in no way consulted. Last year I was at Geneva. I have not been consulted about the matter, and much as I would like to do anything I can to oblige a friend of such old standing I am sorry I am unable to do so. What was it the hon. member for Gloucester wanted?

Mr. VENIOT: I was just substituting the word "Hungerford".

Mr. MANION: I probably should have used the term "the management".

Mr. MARCIL: I received a letter from Mr. Hungerford, not Mr. Fullerton. I quite realize the minister's position in respect to this matter, but public opinion is public opinion and the people of my constituency feel that the government of the day are in office, in power, and hold them responsible. The explanation given may be all right according to the statute that has been passed, but the people are in the position that they cannot vote for or against the commission, but they can vote for or against the government.

Mr. MANION: My hon. friend opposite ought to be pleased.

Mr. STEWART (Leeds): I gather that my hon. friend intends mildly to criticize some of the expenditures on repairs of wharves and other services in his constituency undertaken in the last year by the Public Works department. I may say to him that the works undertaken are only a comparatively small number of those for which urgent requests were made. I would be very glad if my hon. friend would just indicate what particular works were undertaken that he thinks should not have been. We have some estimates that I believe now apply to his constituency, and if he will indicate in those estimates the items that he thinks should not be undertaken during the coming year, I shall give the matter consideration and endeavour to check up in the near future so far as I have any power to do so in order to see that no unnecessary expenditures are made.

Mr. MARCIL: I am sorry the minister misunderstood me. I do not want to blame the minister for the work he is doing. Of course I have not been consulted, being a member of the opposition. That is the unfortunate part of our system; unfortunately in my constituency everybody except the representative of the people can be consulted. The representative of the people is not consulted. What I wanted to say was this: If the minister and the government of the day can find it a proper policy to spend such large sums for water transportation, why should some of the money not go for land transportation and why should these shops at New Carlisle be cut to the bone? Why should the terminus at Matapedia be removed? Why should people have to supply ties at prices which I am told are ridiculous? If all this saving is being done on the land, how is it that the government is so generous as regards water transportation? I do not blame the government at all for what it is doing with regard to water transportation. Those wharves are dominion property and have to be kept in repair. There are certain parts of the country that do not have those advantages and they are being given them now. I do not want to blame the minister and I am sorry he understood my remarks in that way. I was trying

to open the eyes of the government in regard to the land policy. That is the only reason I spoke.

Mr. VENIOT: Perhaps I am not quite in order in bringing up now the matter I wish to discuss, but some latitude, possibly too much, has been given since this bill has been brought before the committee and is cited as the Canadian National Railways Financing Act, 1935, the committee may grant me a little latitude in directing its attention to certain criticisms that have been made in regard to the amount of money advanced to the Canadian National Railways. There is a criticism made by Mr. Beatty, president of the Canadian Pacific Railway Company, and also a criticism I find in some of the newspapers in Montreal as well as west of that city in regard to the old Intercolonial railway and the amount of money that has been spent in connection with it. I wish especially to resent their implication that the Intercolonial railway has become and always has been a sink hole in Canadian financing of our railway system.

First let me refer to the criticism made by Mr. Beatty. About six or seven weeks ago I placed on the order paper a number of questions in relation to the amounts of money advanced to various railways in Canada. Among other questions I asked how much was advanced to the Canadian Pacific Railway, cash grants to the main lines and to its subsidiaries. I also asked what amount of land grants were accorded to the Canadian Pacific Railway, its main line and subsidiaries. The answers were laid upon the table of the house and partly published in the press. Mr. Beatty took exception to them and gave an interview to the press to which I wish to refer. One part of his interview was in regard to the land grants made to the main line of the Canadian Pacific Railway, in regard to which he is reported to have stated the following:

Of the 25,000,000 acres of land granted 6,793,014 were returned to the government for a consideration of $10,000,000—

Even there Mr. Beatty is not correct, because the amount paid by the government for the return of those lands was $10,187,000.

—leaving a net grant of 18,206,986 acres. The parliamentary statement duplicates these figures.

I wish to point out that the parliamentary statement does not duplicate those figures and Mr. Beatty is wrong. I wish to give the figures as submitted to the house, which figures I consider to be quite correct:

	Acres
To the C.P.R. main line, land grants	25,000,000
To subsidiaries	7,928,896
	32,928,896
Land repurchased from C.P.R.	6,873,000
	26,055,896

Not 18,000,000 as stated by Mr. Beatty, but 26,055,896 to the Canadian Pacific main line and subsidiaries.

Now a great deal has been said by Mr. Beatty of the assistance, financial and otherwise, granted to the Canadian National Railways. Let us look for a moment and see if any other assistance has been granted to the Canadian Pacific. In the criticisms of the Canadian National Railway system, we never hear a word of the assistance granted to the Canadian Pacific Railway. I have the figures which were submitted to this house and I am going to place them on Hansard. Aid to the Canadian Pacific consisted in the following: lands valued at $1.50 per acre—I use that figure because that is the price per acre which the Canadian Pacific charged to the Canadian government when they handed back the six million acres to which I referred.

Mr. MacDOUGALL: What date was that?

Mr. VENIOT: The time the Canadian Pacific was built.

Mr. MacDOUGALL: No, the date they got the lands back.

Mr. VENIOT: It was three or four years after they started to build.

Aid to the Canadian Pacific Railway	
Aid in lands at $1.50 per acre for 26,055,896 acres	$ 39,083,894
Cash subsidy	25,000,000
Value of railway work passed to the C.P.R. when the government gave up construction of the road to the coast, valued by arbitrators and accepted by the C.P.R. at that time as correct	37,791,000
Cash paid for repurchase of 6,873,000 acres at $1.50	10,309,500
Subsidy paid to lines operated under lease and loan by the C.P.R. by the federal government	27,855,089
	$140,039,483

This does not include subsidies paid by the provincial governments to lines since acquired by the Canadian Pacific for which they never contributed one cent to the federal government.

Now, sir, having put that on Hansard, let me refer for a moment to the charge made that the old Intercolonial railway has been a

sink-hole to the administration of railways in Canada. I have here before me the figures relating to the operations of the Intercolonial from the time it was built, divided into three periods:

From 1881 to 1898	
Expenditures	$ 51,828,282
Revenues	49,032,399
Deficit in 18 years	$ 2,795,883
From 1899 to 1912	
Expenditures	$102,117,610
Revenues	100,426,824
Deficit in 14 years	$ 1,690,786
From 1913 to 1920	
Expenditures	$144,600,968
Revenues	140,885,464
Deficit in 8 years	$ 3,715,504

Following the second period the freight rates on the Intercolonial were raised to equal the rates west of Montreal.

In the first two periods the record shows fourteen surpluses ranging from $11,000 to $660,000. From 1913 to 1920 inclusive, when the Intercolonial was merged with the Canadian National railway system, there were five surpluses ranging from $12,435 to $1,517,296. It will therefore be seen that in forty years' operations of the Intercolonial, now known as the Atlantic region of the Canadian National Railways, revenues totalled $290,344,687 and expenditures $298,546,860, leaving a deficit of only $8,202,173 for the forty years. The greatest deficit was between 1913 and 1920 under increased freight rates. I wish to place these figures on Hansard to close once for all, if I may do so, the mouths of those who under previous governments from 1919 right down to the present time have been using the argument that the old Intercolonial railway has been and still is a sink hole in the administration of the National railway system in the Dominion of Canada. We in the maritime provinces, Mr. Chairman, stand by the old Intercolonial. It was built as a bond of confederation. It was under the guarantee of the construction of that road that we in the maritime provinces came into confederation, and to-day I as a representative of one of the original provinces of confederation deprecate the idea of provinces outside the maritimes using the argument which they have been using to decry the operations of the old Intercolonial railway. The figures are there to speak for themselves. I take them as true from the accountant of the Department of Railways, and furnished no doubt by the management of the Canadian National Railways at Montreal. I for one will no longer stand for the argument that has been used against the eastern section of the Canadian National Railways.

[Mr. Veniot.]

Bill reported, read the third time and passed.

PUBLIC WORKS PROGRAM

WORKS, UNDERTAKINGS AND GUARANTEES OF RAILWAY EQUIPMENT SECURITIES TO CREATE EMPLOYMENT

Hon. H. A. STEWART (Minister of Public Works) moved that the house go into committee to consider the following proposed resolution:

That it is expedient to bring in a measure to create employment by public works and undertakings throughout Canada, and to authorize the government to guarantee equipment securities of the Canadian National Railways and Canadian Pacific Railway Company in the amount of fifteen million dollars.

Motion agreed to and the house went into committee, Mr. Morand in the chair.

Mr. STEWART (Leeds): Mr. Chairman, the desirability of relieving unemployment through the construction of public works has been so generally advocated and so universally accepted that I trust this resolution is not a controversial one in any sense. The house at its last session provided in round figures the sum of $40,000,000 to be expended on projects set forth in the schedule to the act known as the Public Works Construction Act, 1934. That act was passed about the end of June and works were undertaken where possible, particularly out of the general vote, during the last season. Plans had to be prepared and tenders invited, and on the 31st of March last, although the winter season had intervened and stopped construction practically entirely, there had been expended and earned the sum of approximately $10,000,000, leaving in round figures about $30,000,000 of the amount appropriated under that act still unexpended. Tenders have been invited and works undertaken on practically all of the larger projects in that schedule, so that it is fair to assume that during this year the larger part of the remaining $30,000,000 unexpended will be earned under the act of 1934.

A large number of men have been employed in putting buildings in repair, on improvements, and in actual construction work, and the building trades undoubtedly have been very much helped in this connection. It has been stated, and I think fairly accurately, that for each man employed on the actual con-

struction of a building you may assume that there are three others employed who do not actually appear upon the building.

Now it is deemed expedient to supplement the program of works undertaken last year under the act of 1934, and a bill based upon the resolution which has just been submitted to the committee will be introduced immediately upon the adoption of this resolution. There is in the resolution the added feature covering the guarantee of the securities of the Canadian National Railways and the Canadian Pacific Railway to the amount of $15,000,000 for the purchase of equipment, and the details of that will be set out in the bill. The same object and the same purpose is served in both these projects—the employment of labour. As the matter is not controversial I suggest that we adopt the resolution, after I have given such additional information as the committee may require at this stage, and immediately upon its adoption the bill which has been prepared will be introduced. I am convinced that members are all possibly more interested in the schedule of the bill than in the terms of the resolution.

Mr. POWER: Is it proposed to bring down a bill in so far as public works proper are concerned in identically the same terms as last year's bill?

Mr. STEWART (Leeds): The wording of the bill based on this resolution is substantially the same as that of the bill of last year, with the added feature in regard to equipment for the railways.

Mr. POWER: Will a specific sum be mentioned for public works?

Mr. STEWART (Leeds): Yes.

Mr. CAMPBELL: What is the amount?

Mr. STEWART (Leeds): The bill will disclose that.

Mr. POWER: Why not state the full amount of the bill now?

The CHAIRMAN: The committee is discussing the principle of the resolution.

Mr. POWER: With all deference, Mr. Chairman, I suggest that we are now in committee of the whole and that the principle apparently has been adopted, but surely we are entitled to ask the minister in charge of the bill what the amount involved is. I think it would be going quite a long way to prevent us when we are in committee on a resolution from asking what the amount of money involved in it is.

Mr. STEWART (Leeds): I have no objection to giving it. It will be approximately $18,000,000.

Mr. MACKENZIE (Vancouver): In addition to the guarantee?

Mr. STEWART (Leeds): In addition to the guarantee.

Mr. POWER: So the bill will cover approximately $33,000,000?

Mr. STEWART (Leeds): It will not provide for that amount of expenditure by the government. There will be the $18,000,000 that I have mentioned, but the expenditure in connection with the guarantee is not for the full amount of the equipment to be purchased.

Mr. POWER: Leaving aside the public works features, may I ask the minister why it was not thought advisable to bring in a separate bill dealing with the loans or guarantees, or whatever they were going to advance to the railways? May I ask if there is any reason for that?

Mr. STEWART (Leeds): I thought I had made myself clear on the point, namely, that the object underlying the bill was that of providing employment. That is the only principle involved in it. The plan proposed for the guaranteeing of the purchase of equipment for the railways is brought forward with the same object in view, namely providing employment. It is just a different way of doing the same thing.

Mr. POWER: From the remarks of the Minister of Railways and Canals made only a few moments ago I gathered that so far as the Canadian National Railways are concerned this sum will be by way of advances, loans or guarantees and that generally speaking, as I understood him, it is proposed the government will absorb the interest on these advances for a period of two years. At the present time that is the extent to which the government will make a contribution, so far as the railways are concerned. Speaking for the Canadian National Railways, the principal amount will be a charge on those railways.

Mr. MANION: Yes, but of course it would not be fair to take it merely as a charge on the Canadian National Railways without taking the longer view, as I pointed out in reply to some one, that the chances are about one hundred to one that over a period of years governments will pay the total amount.

Mr. POWER: It will be added to the debt of the Canadian National Railways?

Mr. MANION: Correct—well, may I in reply to the question say that part of course will, but it may be that part of the equipment charges is taken from operating expenses. I shall not go into the matter in detail, but I do not wish to say definitely that all of it will be treated as a charge against the Canadian National Railways. In a general way, however, that will be true.

Mr. POWER: If it is for the purchase of equipment that they would purchase in the ordinary way, how do we bring it in as a bill for unemployment relief?

Mr. MANION: A certain portion of equipment is, I think, usually charged to operating expenses. However, I do not wish to quarrel with the hon. member's way of phrasing it.

Mr. POWER: If we are relieving the Canadian National Railways of some of the expenditures in which they would normally be involved I do not see why it is brought down in this form. But if we are not—and I think probably this is the state of affairs—all we are doing is to ask the Canadian National Railways to spend a certain amount of money. Did the minister give the amount; is it $10,000,000?

Mr. MANION: The total amount is $15,000,000. The suggestion is that $8,000,000 worth of equipment be purchased by the Canadian National Railways and $7,000,000 by the Canadian Pacific Railway. At any rate, no principal will be repayable within two years by either company, so far as we know at the present time and for two years interest will be absorbed by the government. At the end of two years the Canadian Pacific Railway will be expected to begin repayment of the capital amount, and will carry its own interest. In its present financial position, in all probability the Canadian National Railways will be carried by the government so far as the total is concerned.

Mr. POWER: That is, $8,000,000 will be charged to the Canadian National Railways, in any event?

Mr. MANION: Yes.

Mr. POWER: I have a recollection that not very long ago before the committee on railways and shipping the president of the Canadian National Railways said he did not need any equipment.

Mr. MANION: I do not think my hon. friend is right in that.

Mr. EULER: He said it.

[Mr. Power.]

Mr. POWER: He said they had sufficient equipment for all their present needs.

An hon. MEMBER: Sufficient cars.

Mr. POWER: For the moment I have no intention of discussing the principle of making advances to private corporations. I address myself more particularly to a discussion of the principle of political interference with the Canadian National Railways, by asking them to spend money, as a matter of public policy. I am not speaking of what might be called low-brow political interference, but I am referring more particularly to using the Canadian National Railways as a vehicle for development of public policy.

Mr. MANION: To avoid allowing an impression to go out which I am sure the hon. member does not intend may I say that the Canadian government is not in any way interfering with the Canadian National Railways. Both railways have stated to us that they could economically take equipment on certain terms. Despite what may have been said in the committee the other day—and it was Mr. Hungerford who spoke on that occasion—they both expressed the opinion to us that on certain terms they could economically take equipment. They are not being forced to take it. The Canadian government has taken the attitude that for the sake of starting the heavier industries in operation, and assisting in the general uplift in business, it could go through certain forms and carry out certain financial liabilities, particularly that of paying interest, if the railways could economically cooperate. The Canadian National Railways will in no way, shape or form be placed in the position whereby they will be asked to do anything unless they consider it economically wise so to do. The Canadian Pacific Railway is in exactly the same position.

Although it is not usual to quote from the proceedings of a committee while such committee is still sitting, being merely adjourned, I shall take the liberty of quoting from the proceedings. I believe the circumstances are to a certain extent as the hon. member has stated. The hon. member for North Winnipeg (Mr. Heaps) questioned Mr. Hungerford respecting equipment, to which Mr. Hungerford replied:

> Mr. Hungerford: We have enough equipment to take care of the traffic requirements.
>
> The Chairman: Mr. Heaps, that comes under the next account.
>
> Mr. Heaps: I am asking the question because it arises out of Mr. Gray's question; I did not get the answer, I did not hear it.

Mr. Hungerford: I say we have in repair enough equipment to take care of traffic requirements.

Mr. Heaps: You have enough?

Mr. Hungerford: We have kept in repair sufficient to do that.

Mr. Heaps: You have enough equipment?

Mr. Hungerford: It all depends, when we say we have sufficient equipment. There are peak periods during which we are short of certain types of equipment for a short period of time.

Mr. Hanbury: Would you make that statement again?

Mr. Heaps: Speak a little louder.

Mr. Hungerford: I say, in general we have lots of equipment, surplus of equipment, but again there are peak periods and it is during that time that all railroads may be short of a particular class of equipment for a short period of time.

Mr. Hanbury: How do you prepare for that shortage?

Mr. Hungerford: We borrow from somebody who has it to spare. We all borrow and lend equipment as between railroads.

Mr. Tummon: That is the practice of all railroads?

Mr. Hungerford: Yes, sir.

Mr. Hanbury: You never have any difficulty in taking care of the peak in that way?

Mr. Hungerford: No, not for many years.

I repeat there will be no attempt and there has been no attempt in any way, shape or form to force the Canadian National Railways to do anything which is not economically sound or correct.

Mr. EULER: Did they ask for this?

Mr. MANION: They asked for equipment a long time ago. Some time ago they suggested equipment requirements on certain financial conditions.

Mr. GRAY: On what terms?

Mr. MANION: They suggested that we pay one-third of the total cost, and stated that if the government would absorb one-third they could economically carry the other two-thirds. My submission is, although I have not figured it out, that that is what we are doing to-day. If the notes are sold on a three and a half per cent basis we carry the principal—the principal is not repayable for two years—the interest is paid by the government for two years, and the Canadian National railway is charged up with something the government really pays in the end. I repeat the Canadian National Railways are going to be in the position of saying as to whether or not on this basis they will take equipment. No force or pressure is being used upon them, and at the present time they have not given a definite reply as to whether or not they want the equipment on these terms.

Mr. POWER: Although I appreciate the frankness with which the minister has answered I am not prepared to admit that when a bill is introduced and passed through the house providing for a substantial loan to the Canadian National Railways to buy equipment it is not a very strong means of coercing them into buying, whether they want it or not. In this connection I should like to refer to the report of the Duff commission. During the debate on March 16, 1933, in connection with the Canadian Pacific-Canadian National bill, I quoted paragraph 146 of the Duff report, as follows:

> Of direct political interference by ministers and members of parliament in the detail operations of the railway, we were assured by the officials there was little or none. It was in the larger sphere of policy that political considerations led to unwise and unnecessary capital expenditures, the result of which was to create an atmosphere in which the ordinary principles of commercial operation of the railway were lost sight of.

I was pointing out at the time this bill was being discussed that it had been heralded throughout Canada that this bill was to do away with political interference when in fact it did not do away with political interference in matters of policy. In my humble opinion this is one instance in which there is political interference. I have no reason to doubt the minister when he says that he is not forcing the Canadian National to take this equipment but we have the evidence given only a few days ago by Mr. Hungerford, general manager of the road, to the effect that he does not require any new equipment. We now have a bill being introduced which provides that they will be able to purchase equipment on certain terms. I am not discussing the advisability or the soundness of the principle which is being laid down perhaps for the first time in connection with relief legislation, namely, that certain private corporations shall be assisted directly as that is another matter which may be discussed at some other time; my objection to this section of the bill is that the Canadian National Railways is being asked or is being invited—

Mr. MANION: That is a far better word than "coerced."

Mr. POWER: —being invited to sit in at the feast. The company is being induced to spend money which its chairman and president do not consider necessary.

Mr. MANION: They can refuse the invitation the same as you and I refuse an invitation to dinner.

Mr. POWER: They can refuse the invitation but the minister is leaving them open to very strong pressure from people in high positions and from sectional, personal and political interests. I suggest to the minister that that is not a fair position in which to place the trustees and the management of the road. If they do not consider it necessary to purchase equipment I do not think the government should blazon it forth to the people of this country that they are willing to buy equipment whether or not the Canadian National officials are. I suggest to the minister that this matter should be given further consideration from the standpoint of the principle that there shall be no political interference with the Canadian National Railways. I think he would be well advised to look over these sections again before introducing them.

Mr. SANDERSON: Mr. Chairman, I am more concerned with the work which might be given to employees of the railroads. Two or three times during this session I have asked questions of the Minister of Railways (Mr. Manion) in connection with new equipment for the railroads, especially for the Canadian National road. I do not want to prolong the discussion, but I should like to refer to the first question which I asked on January 21 of this year. This question is reported on page 15 of Hansard, as follows:

Mr. Speaker, I desire to ask a question of the Minister of Railways. I have under my hand four communications, two letters and two telegrams, from different associations of the Canadian National Railways employees in the city of Stratford, and with your permission, Mr. Speaker, I propose to read the shortest of the telegrams which will take only a moment. It is addressed to me at the House of Commons, and reads as follows:

"Press reports indicate that new equipment for Canadian National Railways may be constructed by private companies. Canadian National Railways employees protest such contracts as equipment can be advantageously constructed in Canadian National repair shops. Respectfully request that you use your influence for this work to be done by the Canadian National Railways in their own shops, whereby former employes may be returned to work. A reply would be appreciated.

J. Thomas."

I shall not read the rest of my question, but the minister's reply was as follows:

Mr. Speaker, the same telegram I presume came to me among many others. There were many telegrams and letters from various sections of the country that were based upon a statement in the press which was not an official statement of any kind, and my reply to all the telegrams and letters has been that the matter has not been decided upon by the government; that there have been proposals put to the government for equipment by railway car equipment companies, but that no decision of any kind has been arrived at.

On the following day, January 22, I put a further question to the Minister of Railways, which is reported on page 66 of Hansard, as follows:

Mr. Speaker, I should like to ask a question of the Minister of Railways (Mr. Manion) based on a telegram I received this morning from the city of Stratford. It is as follows:

"Lodge 103 International Association of Machinists at Stratford with over 400 members protests that contracts for new equipment for Canadian National Railways be let to private companies while railway shops have worked only sixteen days a month for the past three years.

W. Lyons,
Recording Secretary,
73 Dufferin Street, Stratford."

On February 25 I put another question to the minister, and again on March 18, but I shall not delay the committee by reading these questions. My object in putting these questions was to urge that this new equipment, including repairs, be constructed as much as possible in the Canadian National shops. While ordinarily it would be out of order, I submit that as the minister quoted from the evidence given before the standing committee on railways and shipping, I should be granted the same privilege. I should like to refer to something more recent than the questions which I put to the minister in the house. I have before me the minutes of the evidence of the select standing committee on railways and shipping for April 10, and I should like to quote from page 111, as follows:

Mr. Gray: Then I should like to ask the chairman of the board a question. I notice on page 6 of the analysis of operations there were no purchases of new equipment during 1934. There have been reports in the press, Mr. Chairman, and Mr. Sanderson in the House of Commons has asked questions from time to time, first on the 21st day of January, of the Minister of Railways, and he asked me to ask again with respect to this question of new equipment. There have been some newspaper suggestions that a large amount of money was to be spent for new equipment and that the orders were to be placed with private firms and that this would affect the Canadian National shops. The minister at that time was not able to give an answer.

Hon. Mr. Manion: I gave an answer that the matter had been submitted to us and was still under consideration by both ourselves and the railway company, and it is still in the same position to-day.

Mr. Gray: Is there any suggestion that there will be money spent?

Hon. Mr. Manion: There are lots of suggestions, particularly on the part of the Canadian railway equipment manufacturers, but there has been no decision arrived at.

Mr. Gray: Is there anything in the budget?

Hon. Mr. Manion: No. When I say "nothing in the budget," I mean I do not think there is.

Hon. Mr. Fullerton: There is nothing in the budget except betterments.

Then on page 112, which I think the minister has put on the record, we find questions asked by Mr. Gray, Mr. Hanbury and Mr. Heaps. I will not take up the time of the committee quoting that. We find that the resolution before this committee, standing in the name of the Prime Minister, reads:

That it is expedient to bring in a measure to create employment by public works and undertakings throughout Canada, and to authorize the government to guarantee equipment securities of the Canadian National Railways and Canadian Pacific Railway Company in the amount of $15,000,000.

I find no fault with that at all. My sole concern is that if the government decide to assist the railways to the extent of $15,000,000, $8,000,000 to the Canadian National Railways and $7,000,000 to the Canadian Pacific, whether by loan or by guarantee—it makes no difference what it is—it will create a large amount of employment for the employees who make railway equipment of every kind; and I would strongly urge the minister, especially in connection with the Canadian National road, to insist that every dollar of the $8,000,000, or whatever the amount may be that is to be voted to the Canadian National for equipment, be paid to employees of the Canadian National Railways in Canadian National shops. I wish to put on the record some other communications I have received from the city of Stratford. I think it is my duty to do so because I feel very keenly in this matter. There is an opening here to assist, and assist greatly, the unemployed among the railway men.

Mr. CHAPLIN: In Stratford.

Mr. SANDERSON: I did not catch the interruption.

Mr. CHAPLIN: In the city of Stratford. There are others besides.

Mr. SANDERSON: Yes, I will be frank with my hon. friend from Lincoln and say the city of Stratford, and I have no apologies to make, none whatever. I want to put on the record a telegram I received dated Stratford, Ontario, January 18, 1935:

Press reports indicate owing to economies by railway management, railway equipment and locomotives need to be replaced by new equipment. Respectfully point out that large amount of such economies were made possible by many employees being laid off and others placed on reduced work hours. Respectfully request that if new equipment needs to be constructed that such work be done in our railroad shops where there is now ample accommodation to do such work and thus return to the laid off employees their jobs and those now working 128 hours per month again resume 40 hours per week. Above is copy of resolution sent to Dr. Manion.

Your hearty support and influence in the house requested. Please reply.

Russell,
C.N.R. Local Federated Crafts,
116 Ontario street,
Stratford.

I also received two letters and I hope it will not weary the committee if I put these on the record. The first is dated January 19, 1935:

Dear Sir,

Press reports indicate that there is to be considerable construction of new railroad equipment in the near future. Our members wish to draw to your attention their claims for having this work done in our own shops.

During the past four years our members in main shops have, in an effort to avoid the laying off of men, been voluntarily working less than 30 hours per week when our agreements entitled them to claim a minimum of 40 hours per week. This was agreed to by the men, many of them knowing that this sacrifice would cause considerable hardship to themselves and their families. Many have lost their life savings which were invested in homes and many more are anxiously looking for improved conditions in order to avoid this hardship. We feel therefore that we are not being unreasonable when we ask that all orders for new equipment should be placed in our own shops on the C.N.R., they being quite capable of taking care of this work without additional overhead costs of supervision, etc.

Trusting that we can count on your influence and support and assuring you that a reply would be appreciated by our members, I am,

Yours truly,
K. Cockburn,
Secretary.

I have another letter dated January 18, 1935:

Dear Mr. Sanderson:

I have on behalf of our local organization forwarded the following night letter to Hon. Dr. R. J. Manion, Minister of Railways:

"Press reports indicate that owing to economies by railroad managements, railroad equipment and locomotives need to be replaced by new equipment.

Respectfully point out that large amount of such economies were made possible by many employees being laid off and others placed on reduced working hours.

Respectfully request that if new equipment is needed that work be done in our railroad shops where there is now ample accommodation to do such work, and thus return to employment the laid off employees and restore the forty hour week to those now working less than an average of thirty hours per week."

Railway Carmen of Stratford, Ont.

The members of our organization would request that you help them in every way, to make possible their desires as outlined in above request.

Respectfully yours,
F. J. Cullum
For Stratford Lodge No. 928.

As I said to my hon. friend from Lincoln, I have no apologies to make for putting these letters on the record. I would strongly urge on the minister that the $8,000,000 in connection with the Canadian National be spent in the shops.

I want to ask the minister a question, and I do not need a reply now; it will be satisfactory if he will be good enough to answer when I get through with my remarks. Has he any estimates as to the equipment required? For instance, can he tell the committee how much money will be spent on, say, repairs to old equipment? Has he any estimate of the amount that will be spent on entirely new equipment in the shops?

Mr. MANION: I did say earlier in my remarks that we should probably ask the two railways to give about $3,000,000 of this money for repairs in their shops throughout Canada.

Mr. SANDERSON: I wish now to say a word or two with regard to railway matters generally, because I think that this is an appropriate time to discuss to some extent at least the great railway problem of Canada. I believe that all hon. members will agree with me when I say that the railways in this country present one of the most vital problems that face the taxpayers of Canada. We have two railway systems, one publicly owned and one a privately owned system. Perhaps I can say without fear of contradiction that in these two railway systems we have the two best in the world. I do not think I am at all exaggerating when I make that statement. During the last four or five years both these railways have been carrying on under great difficulties, but their difficulties are no greater comparatively than those of every business firm, every industrial concern in the dominion. I think I can go further and say that comparatively their difficulties are no greater than those of the individual, no matter in what business he may be engaged. In my opinion the railway industry of this country is its second greatest. I do not think it is the first, because I would put the great basic industry of agriculture first, but I do regard our railways as the second greatest industry in Canada. If we stop to consider the business that these railways are doing, we see that under normal conditions the Canadian National uses 22,000 miles of track and the Canadian Pacific Railway 18,000; and combined, when traffic is normal, they employ 190,000 men with an annual pay roll of $290,000,000. That includes salaries and wages, and that pay roll of $290,000,000 sustains almost 1,000,000 people. That will give you some idea of the immensity of the railway system in Canada. But both railways lack one thing at present; they lack the normal tonnage in traffic, going back to the twenties. I have no hesitation in putting myself on record this afternoon, that when normal conditions return in this country, as they will, both these railways will have solved all their difficulties; and when revenue and traffic increase the deficits will automatically be wiped out, and we shall not hear very much criticism of the railways. Go back ten years ago; there was no criticism of the railways then. They were doing well; their earnings were large and they were employing a very large number of men. They were in the same condition as all business was at that time—they were what we called prosperous. I repeat that when normal conditions return to this country the railways will be able to take care of themselves without very much assistance.

I am not going into the financial structure of the Canadian National Railways or ancient history as to how all those conglomerations of roads were brought into the national system, but I say that if we have patience; if we preserve the railway intact and if we do not allow any insidious and vicious propaganda to undermine it, when we come out of our difficulties, the Canadian National will be one of the great assets of our people. We should be proud of the Canadian National Railways and we should also be proud of the Canadian Pacific Railway; they are both assets to the country. But there is a propaganda being spread throughout Canada to undermine and if possible injure the publicly owned road. I know that the minister does not assume any responsibility for that; as a matter of fact he stated on the floor of the house not more than two weeks ago, when speaking on Canadian National affairs generally in regard to the amalgamation or unification of the Canadian National and the Canadian Pacific, that the government of which he is Minister of Railways is opposed to anything of that nature. I put the question to him myself and he was good enough to permit the question and to reply. He said that he was speaking for the government. I asked him a second question, if he were speaking for the Prime Minister, and he was good enough to reply that he was. Of course I must take his answers as he gave them to me. But apart altogether from that, a very eminent gentleman, an outstanding man, is going throughout the dominion spreading propaganda to injure and is injuring the Canadian National: I refer to the president of the Canadian Pacific Railway Company. I want to point out to the Minister of Railways and to the government that they are the directors of the Canadian National

system for the people, for the taxpayers of this country, and as regards this propaganda that is being spread—and apparently no effort is being made by the government to combat or contradict or stop it—I think their duty is to combat that propaganda.

Mr. MANION: I do not think I should let my hon. friend make that statement, because within the last four or five months I have made at least three statements, one in Smith's Falls, one in Brockville, and one in this house, in all of which I have taken absolutely the opposite standpoint from that taken by Mr. Beatty. I have done everything in my power to combat the propaganda.

Mr. SANDERSON: I accept the minister's statement in good faith and I think he is sincere, but I believe I can tell him something he should do. At the head of the Canadian National board we have Judge Fullerton. He has made one speech mildly contradictory of the speeches that Mr. Beatty has been making throughout the whole dominion. The minister said this afternoon when a certain bill was up, before this resolution came before the house—I think it was this and if I am wrong, the minister will correct me—that he never did anything to interfere with Mr. Fullerton making speeches on behalf of the Canadian National system, speeches that would be contradictory to and combating those of Mr. Beatty of the Canadian Pacific Railway. Am I right in that?

Mr. MANION: Well, it has been stated in the Winnipeg Free Press, as quoted by the hon. member—and I saw an editorial in a newspaper which is usually much fairer than the Winnipeg Free Press, making the same statement—that we had in some way prevented Mr. Fullerton from making speeches. I pointed out that Mr. Fullerton was at liberty to make any speeches he chose, and in no manner, shape or form, did we interfere; but I quoted Mr. Fullerton as stating in the committee last year that he did not consider that he had any right to get into a controversy with Mr. Beatty regarding amalgamation, and he was approved in that by two members of the committee from my hon. friend's side of the house.

Mr. SANDERSON: I accept the statement of the minister, but does he not think it is the duty of the government of the day, and of himself as Minister of Railways, to instruct Mr. Fullerton, or someone who has responsibility in regard to the publicly-owned system which is controlled more or less by the government of the day, to go out and combat the propaganda that Mr. Beatty is putting out?

Mr. MANION: I have no power to instruct Mr. Fullerton. He is the chairman of the board of trustees of the Canadian National. Certainly I think if misstatements of fact are made about the Canadian National Railways, Mr. Fullerton should correct them, but it is debatable, and apparently it was not the opinion of the committee last year that Mr. Fullerton and Mr. Beatty should be travelling around the country carrying on an amalgamation and anti-amalgamation vendetta on the public platform. But I have no power to instruct Mr. Fullerton. My own opinion was that the feeling for amalgamation in this country was so slight that in spite of Mr. Beatty's arguments for it there was no great body of public opinion favourable to it at the present time.

Mr. SANDERSON: Well, again I accept the statement of the minister. But if he says he has not the authority to instruct Mr. Fullerton, and perhaps he has not, surely in the interests of the Canadian National system he should advise him that some steps should be taken to combat Mr. Beatty's propaganda. I would put Mr. Beatty in this category, as far as his propaganda against the Canadian National Railways is concerned: I would call him "public enemy No. 1." He has no right to do it, and I do not think he should be permitted to do it.

Mr. MANION: How would he be stopped?

Mr. SANDERSON: Let me go on to explain. It would be bad enough for any private citizen—

Mr. POWER: Section 98.

Mr. SANDERSON: Yes, or he might do it under peace, order and good government. This government can do almost anything under peace, order and good government.

Mr. McGIBBON: And do it well.

Mr. SANDERSON: If they do not know of any other method, it might be under peace, order and good government.

Mr. STEWART (Leeds): That was struck out of the act at your suggestion.

Mr. SANDERSON: Oh, no. Mr. Beatty has been spreading this propaganda over the country for the last four years. He should be the very last man to be permitted to go about the country attacking the Canadian National. It would be bad enough for any private citizen to do that, but it is even worse that the president of the Canadian Pacific Railway, the privately owned road, the chief competitor of the Canadian National, which is owned by the people, paid for and financed by the tax-

payers, should go about systematically attacking the credit and the structure of and everything pertaining to the Canadian National. Some effort should be made to stop it. It is not fair to the people of Canada, it is not fair to the Canadian National Railways, and it is most unfair to the vast army of employees of the Canadian National.

What is Mr. Beatty's object? I think I would be safe in saying that in this propaganda Mr. Beatty's object is to bias and prejudice the minds of the people in regard to their own railroad. He is doing all the injury he can to the publicly owned road. I hope I am fair in saying that I think his object is to depreciate as much as possible the people's road so that when the time comes he as president and manager of the privately owned road can gobble up the publicly owned road at his own price and we shall have but one railroad system in this country. I think that is Mr. Beatty's object.

In regard to amalgamation or unification, so far as I am concerned I am absolutely opposed to it.

Mr. STEWART (Leeds): Hear, hear.

Mr. SANDERSON: I am absolutely opposed to any system of any kind that will unite these two railroads.

Mr. STEWART (Leeds): Hear, hear.

Mr. SANDERSON: We want the two railroads in this country.

Mr. MANION: Either under government or under private ownership?

Mr. SANDERSON: Absolutely. We want the privately owned road and we want the publicly owned road, both serving the people.

A few years ago there was very little criticism regarding the Canadian National. I want to put on record something that the Prime Minister said in regard to the Canadian National back in August, 1926. Perhaps I did put this on record at one time, but I think it will bear repeating. The occasion was a political meeting in the city of Stratford at the time of the election of 1926. Mr. Bennett was not the Prime Minister then; I think he was Minister of Finance in the Meighen government. He was in Stratford addressing a large audience, most of them employees of the Canadian National, and he is reported in the Toronto Globe of August 16, 1926, in the Toronto Mail and Empire of the same date, the London Advertiser, the London Free Press and the Stratford Herald, all of August 16. The meeting was held on August 14, which was a Saturday night, consequently the report in the papers was two days later. This is what Mr. Bennett said:

Mr. Bennett denounced in scathing terms the whispering campaign about the Canadian National Railways, saying that Mr. Meighen had always fought for the road, and had no intention of interfering with its management. In that connection he said that he personally had recommended to Mr. King that Sir Henry Thornton be hired to operate the road. This he had done as a result of information from Mr. Thomas in England, he said, and indicated that he thought Sir Henry Thornton had been successful and that his work would certainly not be interfered with by Mr. Meighen.

I read this at the present time for this purpose; I do not think there is any man in this country who has more influence over Mr. Beatty than the Prime Minister. The Prime Minister should try some of this discipline stunt on Mr. Beatty. He uses it in politics. I do not want to be unkind to the Prime Minister, but I think he has it in his power to stop the propaganda that Mr. Beatty is spreading in regard to the Canadian National road. Apparently the Prime Minister has changed his mind to some extent in regard to the Canadian National. I would refer the committee to Hansard of March 9, 1933, pages 2853 and 2854. The Prime Minister at that time was speaking on Bill No. 37, the Canadian National and the Canadian Pacific bill, and he is reported in Hansard as follows:

> I am going to make a very short review of the situation, Mr. Speaker, and of the legislation now before the house, and I think I can convince hon. members opposite that they are approaching this question from, shall I say, the wrong angle. The position is not, as has been suggested so frequently in this house, that these are the properties of the people of Canada.

That from the Prime Minister! I will repeat it:

> The position is not, as has been suggested so frequently in this house, that these are the properties of the people of Canada. These are now the properties of the people who loaned their money to build them, and under normal conditions they would take possession of them. It does seem to me that there are a few fundamental ideas which must be kept in mind in discussing these proposals. Let us look at them.

And then he goes on. I want to point this out to the committee, that the Prime Minister at that time, March 9, 1933, classed the Canadian National in the same category as the Canadian Pacific. He virtually said they were bankrupt. He virtually said they could not pay their debts. He virtually said that the Canadian taxpayer had not a dollar of equity in the Canadian National. Now that is not true; that is not correct. I want to say here, Mr. Chairman, that one of the greatest assets this country has is the publicly owned road, the Canadian National. Give it time and it will work out of its difficulties. I

disagree entirely with the Prime Minister when he makes that statement of March 9, 1933, and I have very grave doubts whether he would repeat it to-day, that the Canadian National is bankrupt and that the people have no longer any equity in it. Such a statement as that from the Prime Minister at least does not enhance the Canadian National; it injures it. I do not for a moment say, Mr. Chairman, that the Prime Minister made that statement of March 9, 1933, to injure the Canadian National Railway, but I say that it was a statement which as Prime Minister he should not have made, and to be as fair to him as possible I would say that it was bad judgment when he made that statement on the floor of the house on March 9, 1933. I have perhaps gone on longer than I should have, Mr. Chairman, but I wanted to put myself on record in regard to this resolution.

Mr. PRICE: You are killing time.

Mr. SANDERSON: Well, I am killing it better than my hon. friend does, because he usually kills time by sleeping in the house.

Mr. PRICE: You are the people who want amalgamation.

Mr. SANDERSON: Don't point your finger at me. Stand up if you have anything to say.

Mr. PRICE: You are the people who are talking amalgamation; no one else is talking it.

An hon. MEMBER: He has nothing to say.

Mr. SANDERSON: No. Mr. Chairman, I urge again upon the minister in regard to this new equipment for the Canadian National Railway that not one dollar of this expenditure be handed out to private companies, but that work be given to Canadian National Railway employees and the work be done in the Canadian National Railway shops. That will help the situation of the employees of the road tremendously. They have been in great difficulties in the last few years, have been under trial and stress, and if there is any relief about this bill, if its object is to provide relief, the work should go to the employees of the road.

Mr. MANION: Mr. Chairman, I do not intend to take up more than two or three moments but I wish to say a few words in reply to my hon. friend and some others. In the first place, there has been and is now no coercion so far as the Canadian National is concerned. Secondly, there has been no haste because as the hon. gentleman has pointed out, and as I have already told him, the matter has been under consideration for many weeks, and indeed I think many months. Thirdly the amount that was discussed in the newspapers and to which reference was made by my hon. friend and others was $80,000,000, and of course that was a ridiculous figure.

In regard to repairs in the shops there was the question not only of the workmen in the railway shops, and no one has more sympathy with them than I have, but there was also the whole question of the advisability of the Canadian National and the Canadian Pacific, if you will, going into the manufacture on a huge scale of rolling stock for the railways. I pointed out earlier that it is the intention of the government, and it has been made clear to both railways in connection with this proposal, which was really a proposal originally from them—or rather a proposal was originally made by them both although not exactly on these lines, that we would like if they accepted this proposal to use at least twenty per cent of the whole thing in repairs, which would mean an increase in the amount of work for the railway shop men throughout the country. It is true it would not give them full time, but it must not be forgotten that the shop men on the Canadian National and the Canadian Pacific have been receiving a good deal of work, certainly not full time but still a good deal of work, whereas the employees of the various railway equipment manufacturing plants throughout the country, of which there are five, three car manufacturing plants and two locomotive plants, have been given practically no employment now for a period of five years or more. These railway equipment manufacturing plants having been originally opened up, I am informed, at the solicitation of both railways many years ago, their employees also deserve some consideration. Therefore it was the opinion of the government and is my own opinion at the moment that the employment which this will provide should be divided up somewhat along the lines I have suggested.

I have only one more remark to make because I do not wish to delay some of my hon. friends from speaking, but I felt that a few of the statements that have been made should be replied to forthwith. In regard to the statement of the Prime Minister which my hon. friend from South Perth (Mr. Sanderson) quoted, I assume that what was in the right hon. gentleman's mind, and what was clear enough in most people's minds, was

that if it were not for government guarantees and for the government supplying money the Canadian National would go into the hands of a receiver, which it undoubtedly would. If the Canadian government had not been giving to the Canadian National for many years huge sums of money to make up the deficit on their bonds, undoubtedly the Canadian National would have gone into the hands of a receiver. I think it is clear enough that that is what was in the Prime Minister's mind; I do not think that is any reflection upon the Canadian National, and it is certainly no perversion of the facts. If it were not the practice of the government of Canada to-day, and if it had not been the practice for many years, to pay the deficits on the interest to the bondholders of the Canadian National, undoubtedly the bondholders would have been able to put the Canadian National into a receivership. Just as to-day, if the Canadian Pacific were unable to pay the interest on its bonds, the Canadian Pacific would be placed in the hands of a receiver. That is what the Prime Minister meant, and I do not think his words could be twisted into any implication of hostility on the part of the Prime Minister to the Canadian National. I do not think that they should be twisted in that way. I am not reflecting upon the hon. member, but I do not believe the Prime Minister meant anything other than what I have just said he meant.

Mr. EULER: Perhaps some hon. members will be disappointed when I say I have no intention whatsoever of discussing the amalgamation of railways. It has been so definitely stated on many occasions by the minister that the government will adhere to its resolution, "amalgamation never, competition ever," and as it has also been stated as a policy of the Liberal party that they will endeavour to continue the Canadian National Railways as a separate organization, I am not at all disposed to quarrel with either party or to enter into any controversy at this time.

May I say this, however; in his first radio speech the Prime Minister said that the solution of the railway problem is precedent to the return of prosperity. In other words, we cannot have prosperity until the railways question, whatever that question may be, has been settled. Now, the Prime Minister has promised prosperity, and if he was sincere in his promise then it certainly becomes his duty to enunciate some policy looking to the settlement of the railway problem. Yet in addressing the board of trade of the city of Toronto, after discussing for ten or fifteen minutes the difficulties in which the Canadian National Railways found themselves, he is reported to have said, "But this is not Bennett's problem; it is your problem. What are you going to do about it?" I wish merely to point out the inconsistency of bringing in reform policies which are to have the effect of bringing back prosperity, and yet doing nothing to settle a question which the Prime Minister himself has said must be settled before we can have prosperity. The hon. member for South Perth in his very eloquent plea—

Some hon. MEMBERS: Hear, hear.

Mr. EULER: I sympathize with him. The hon. member made reference to statements made by the president of the Canadian Pacific Railway company which, he said, reflect upon the Canadian National Railways. With that statement I have a good deal of sympathy. May I suggest that the object which the hon. member for South Perth seeks to attain, that of preventing this gentleman from the Canadian Pacific Railway from making derogatory statements about the Canadian National Railways, might be attained if the Minister of Railways gently conveyed to that gentleman the suggestion that unless he stops he will not receive any more guarantees of $60,000,000.

In connection with the suggestion made that Mr. Fullerton, chairman of the board of trustees of the Canadian National Railways, should not enter into a controversy with Mr. Beatty respecting amalgamation—

Mr. MANION: It was Mr. Fullerton's own suggestion.

Mr. EULER: The minister made the statement, or I believe the inference was, that I congratulated Mr. Fullerton on his statement as to the inadvisability of debating with Mr. Beatty the question of amalgamation. In order to keep the record straight I should like to say that Mr. Fullerton made quite a long statement, covering five or six pages of the report of the committee, in which he dealt with many questions in addition to that of amalgamation.

Mr. MANION: That is quite correct.

Mr. EULER: I congratulated him upon the general tenor of his statement, and I finished with this, which I think will remove any misconception there may be in the minds of hon. members of the committee to the effect that I supported the statement that the chairman of the board should have nothing to say whatsoever in connection with any wrongful statement by the press, the Canadian Pacific Railway or any other body.

At that time I said the following:

I would like to add that while I agree with the chairman that he need not get into any public controversy with the other railway, nevertheless whenever anything does issue from that other railway, if it does, which seriously prejudices in the minds of the public the interests of the Canadian National Railways, then, in my mind it becomes the duty of the chairman of the board to combat and contradict such statement.

Mr. MANION: I agree entirely with that.

Mr. EULER: I make the quotation merely to remove any misconception which may have been created by what was said by the minister.

Now, a word with regard to the proposed vote of $15,000,000 towards purchasing equipment for the two railway companies, $8,000,000 of which is to go to the Canadian National Railways and $7,000,000 to the Canadian Pacific Railway. Certainly I would not be heard advocating anything which would interfere with the giving of employment or relief to unemployed people. If it is really necessary to construct equipment in our own shops I hope the hon. member from Stratford will receive a good deal of the business, or in other words that a large part of it may go to that city. I rose to say that if the equipment is required I have nothing to say with regard to the assistance which might be given to the Canadian National Railways, although at the moment I am not speaking with regard to the privately owned road. I think there is a decided difference between helping ourselves and helping somebody else. At the moment however I shall not discuss that point.

Just five days ago—I believe it was last Wednesday—the president of the Canadian National Railways appeared in committee and said, "We do not need any equipment; we have sufficient equipment for all our traffic requirements." That was the very definite and unqualified statement he made. He did say however that although they had plenty of cars and plenty of equipment for all general purposes there were periods of peak loads when the equipment was not sufficient. "Then," he said, "We do as other railways do; we follow the very logical course of borrowing from the other roads. We exchange; we get cars from other roads when we need them, and they do the same when they find themselves in a similar position." My point is this: If the Canadian National Railways do not need this equipment it ought not to be purchased.

Mr. MANION: They do not have to take it if they do not wish to.

Mr. EULER: May I refer to what the minister has just now said: If there is one thing for which the late government was criticized day in and day out by the Minister of Railways and Canals and his colleagues—more particularly by the minister—it was the statement that the late government had spent millions of dollars in what they described as unnecessary expenditures on the Canadian National Railways. That was the criticism which was heard on many occasions. In view of that fact it does not lie in the mouth of the Minister of Railways and Canals or any member of the government to say that we ought to buy, or even to suggest that we should spend $8,000,000 for equipment which is not needed and which will only add to the burden which the Canadian National Railways already have to bear. That is the point I wish to make. They do not ask for it.

Mr. MANION: That is not so. They did propose buying it if we would give them one-third, and we made this proposal. So that they did ask for it, in a sense.

Mr. EULER: I shall not question the minister's words, but it is difficult to reconcile that statement with the statement made in committee that equipment is not needed.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. CANTLEY: Mr. Chairman, I was interested in the statement made this afternoon by the hon. member for Gloucester (Mr. Veniot) in connection with the financial history of the Intercolonial railway both before and after its inclusion in the Canadian National Railway system. I think this statement is well worthy of being recorded in the journals of this house. I was also interested in the remarks of the hon. member for Quebec South (Mr. Power). I always enjoy the hon. gentleman's speeches, whether they be in earnest or otherwise, but in my judgment the speech he made to-day was purely partisan propaganda and rather unworthy of him. Both the hon. member for Quebec South and the hon. member for South Perth (Mr. Sanderson) took full advantage of the lack of relative responsibility which attaches to hon. members of the opposition. I would direct the attention of both hon. members to the statement which appeared this morning in the press with regard to the quantity of rolling stock, originally costing about $27,587,106, most of which will never again be put in

service. This statement is attributed to the general manager of the Canadian National Railways. It is stated that from Sydney to Vancouver there are distributed some 16,000 to 20,000 cars which will never again see service. There are a number of derelict locomotives which are useless and should be scrapped. Many of the locomotives in service to-day are expensive to operate because of the low boiler pressure under which they work.

While I do not claim that all the equipment referred to should be replaced at once, much of it must be renewed if the Canadian National system is to maintain the service which it is exected to give. The hon. member for South Perth was quite within his rights in acting as champion of the shop employees of the Canadian National Railways, but I would point out that none of these shops are in a position or ever were in a position to build locomotives or rolling stock in competition with the private shops. These shops are located in Nova Scotia, Quebec and Ontario, and with their private initiative they are able to produce rolling stock at a lower cost than can the ill equipped shops of the Canadian National and the Canadian Pacific. This has been proven time and time again. It is my well considered opinion that the equipment program now being presented by the minister is entirely inadequate. In the interests of the country I think it should be doubled, because this is the time to bore with a really big auger.

Mr. HOWDEN: Mr. Chairman, I should like to say a word or two on behalf of the citizens of the town of Transcona. When the Grand Trunk Pacific and the National Transcontinental railways were built a location some six miles from Winnipeg was chosen as the nucleus of their operations and the site of their shops. The largest and the most up to date railroad shops in the Dominion of Canada were built at this location. When running at full capacity these shops employ some 7,000 men but to-day only some 1,700 are employed. Many hundreds of men came to Transcona, bought property and built homes for themselves. As the hon. member for South Perth (Mr. Sanderson) indicated this afternoon, only a very small percentage of shop employees are employed at the present time, and these men are working only three days a week. I understand that the government intends to spend some $8,000,000 for replacements of one kind and another for the Canadian National Railways. I have been told that I can say without hesitation that there is not an item of rolling stock which the shops at Transcona cannot produce. These shops have turned out pullman cars and have assembled engines, while it is the regular everyday task to build a freight car. In the early days of the history of the Canadian National Railways many men were prompted to go to Transcona. They built homes and cast in their lot with that town, but many of them have lost everything they had. I take this opportunity of appealing to the minister to ask that as large a proportion as possible of this money be spent upon equipment to be built at Transcona. I am not asking that these shops be given priority over any other Canadian National shops, but I do ask that in the expenditure of this money these employees who have lost their all should receive serious consideration.

Mr. ELLIOTT: Mr. Chairman, it is not my intention to deal with matters connected with the Canadian National Railways, as these have already been dealt with in detail, but I should like to refer to the resolution itself. If this resolution contemplates a bill along the lines of the public works construction bill of last year, it will meet with strenuous objection on the part of members of this house. I do not know whether the minister would feel like giving us any information as to whether the bill will be drafted along the lines of the bill of last year. If he does, I should like to have some information in connection with the lump sum feature, then with regard to the power to put in other new buildings, and the inviting of tenders instead of having tenders by public advertisement. These are some of the features in regard to which the minister might give me some information, which might have the effect of curtailing the remarks I desire to make. Is it intended to follow last year's action in these respects?

Mr. STEWART (Leeds): I thought I intimated in my address when opening the discussion on this resolution that in a general way the terms of the bill were similar to those of the Public Works Construction Act of last year. The total amount involved is approximately $18,000,000 outside of the amount which would be provided for the railway guarantees and which would probably be $1,050,000—

Mr. ELLIOTT: I have the amounts.

Mr. STEWART (Leeds): —and, in addition, the $30,000,000 which we propose to spend under the former act, which would make a total of about $50,000,000 this year. The bill itself will disclose its provisions, and

possibly when my hon. friend reads it he will find that his alarm may not be warranted. I am not prepared to discuss in detail the provisions of the bill until it is brought down, but again I assure my hon. friend that it is substantially the same as last year's, with a much shorter schedule.

Mr. ELLIOTT: If it is substantially the same as last year's, I must say that it will not be very satisfactory in many respects. First of all, the amount is a large one. The minister has said that it is practically $50,000,000.

Mr. STEWART (Leeds): Not in this bill. What is unexpended under the act of last year, together with this one, representing $18,000,000, gives that total.

Mr. ELLIOTT: Yes; add the $18,000,000 to the portion, practically $32,000,000, unexpended on March 31, and you get practically $50,000,000, which is a large expenditure at any time, and especially large at the present time. I am not quarrelling so much with the amount as with the manner in which it has been expended in different ways. One of the things to which I want to call the attention of the minister and to which I object—and I know that other members of the committee object most strenuously to it—is the clause which was inserted last year after the bill had been drawn, which made a variation from the bill as it was introduced into the house. I refer to the clause which is appended to item 135. Item 135 is the item dealing with public works generally, improvements, additions, fittings, painting, renewals, repairs to floors, roofs, plumbing, electrical installations, improvement on sidewalks and roadways, and incidental expenditures in connection therewith. Just before it got through its second reading there was added, "and construction of new buildings." Under that my hon. friend built several new buildings which should have come in under the ordinary items under the Public Works Act. That is not fair. It is not fair to this committee. There has been a practice for years, ever since this department was established, that where a public building was erected the amount was placed in the estimates and passed on by the committee so that before the committee rose everyone had an opportunity of ascertaining what buildings were to be erected. And the same with regard to wharves. I see here under item 75 a lump sum for wharves. A number of large wharves were built. In the spirit of the Public Works Act these should have appeared in the special item. I am disappointed that the minister has not given us the assurance at once—because he must have encountered a good deal of difficulty by reason of his having the power to put in those items, being unable to withstand the urgings of his friends for them—that he intends to change that method this year.

Mr. STEWART (Leeds): If it will help my hon. friend I will assure him that the provision with regard to new buildings does not appear in the bill this year.

Mr. ELLIOTT: I am very glad to have that assurance because it will save some time. I intended to devote considerable time to protesting against that, because I know that my hon. friend must have found in that respect that everyone could come to him and say, "Mr. Minister, you have power to give me a building. True, it has not gone through the committee, but under item 135 you have that power." In my opinion that clause should never have been included. I know it was not contemplated in the original drafting of the bill last year, and I commend the minister and the government for having introduced their bill at a reasonable time of the year this year instead of introducing it, as they did last year, just as the house was arranging to close, so that there was no reasonable opportunity of discussing the various items in the bill and the various phases of it. The insertion of that harmless looking little clause, though it did not escape the attention of the committee last year, has caused a great deal of trouble for the minister, I know, and a great deal of dissatisfaction to the people throughout the country. I hope that as I proceed with these various objections I shall hear from the minister that some of those I intend to voice have also been anticipated and dispensed with in the bill which he is going to introduce after this resolution is adopted.

Next to that iniquity is the creating of five new departments of public works. What has been the effect of all that? Under the head of expenditures for Indians we have had expenditures being made, architects engaged and new staffs being set up; under Immigration the previous staff has been greatly increased; and under National Defence a large number of new employees were put in, as far as I know, without any of them coming before the civil service commission.

When the Minister of National Defence was before the committee he stated, I believe, that all the expenditures that had been made, all the buildings that had been erected, including buildings running into large sums of money, had been by invited tender and none by tenders after public advertisement,

with the possible exception of a building in Kingston. Now I say that that is not a fair way to spend the money of the people of this country. The inviting of tenders for buildings running as high as the barracks building at Calgary, amounting to $163,546; mess building at Calgary, $147,250; fixing of landing field, $128,756; water system and sewer system, $110,000; reconstruction of Royal Canadian Air Force station at Dartmouth, $15,000; reconstruction of armoury at Dundas, $45,000. To erect buildings of that kind without advertising for tenders is nothing short of a public scandal. You cannot possibly get satisfaction. I have before me an extract giving a few of the buildings that have been constructed, and I want to refer to the fact that the freight shed at Oshawa, costing $4,869, was let after public advertisement. Then as to the customs warehouse at Trout River, costing $4,000, the extension to the warehouse at Sydney, Nova Scotia, costing $8,572, and many other similar buildings —these works were done after public advertisement, while we have the extension to the Deer Lodge hospital at Winnipeg, costing $114,000; the construction of the school dormitories at Fredericton, New Brunswick, costing $49,988; a public building at Boissevain, costing $17,500 and a large list including many military buildings, for instance one at Calgary costing $163,546; another, costing $147,250; another costing $35,169 and various other large expenditures of that kind running into millions of dollars, all without public advertisements. How in the world can anybody justify going to the expense of publicly advertising these little buildings costing $4,000, $5,000 or $6,000, and then asking a few of one's friends to tender for numerous buildings costing over $100,000 each? That is not the proper way to expend public money. The minister knows and every minister of every department knows you cannot get value for your money by doing business in that way.

The other evening we had an exhibition from the Minister of Marine (Mr. Duranleau) who said that he invited tenders for all the contracts for works that he let under the Public Works Construction Act. The reason he gave was that as the provincial government at Quebec long ago adopted the practice of keeping its contracts for a certain number of contractors, it was only fair that contractors from Quebec who had always been neglected should receive a little encouragement. That is nothing short of scandalous. The lamentable exhibition that was made in this house the other evening when the minister was attempting to explain why he had done the public business in that way is something that I think has not been witnessed before in this chamber in a long time. I hope the minister will tell me now that I need not go further with regard to the system of letting these large contracts running into large amounts of money, because tenders are now to be called by public advertisement; I hope he is in a position to do that. He does not seem to respond quite as readily as he did before, and I regret that exceedingly. I want to say to him now that he cannot justify before the people of this country continuing to do business in the way he has been doing.

It is not my desire to delay the committee, but I want to protest also against these large amounts of money, particularly items 75, 78 and 135 that were put under the Public Works Construction Act. Under item 78 there is $2,000,000 to the Interior department. So far as I have heard I do not know of any of the contracts under that being let by public tender. I hope the minister will be in a position to correct me and to tell me that most have been let in that way, but that is not my understanding. Then we have an item of $2,000,000 for public buildings generally. That is the worst kind of patronage that any government can resort to. What was the policy of the government when last year they were asking us for $40,000,000 for public works construction largely to relieve unemployment? We find that of that amount just about $7,295,000 was spent prior to February 28 and around $9,000,000 by March 31, so that they had under that act still unspent about $30,000,000 by March 31. Therefore with the $18,000,000 they are getting now, they will have a sum amounting to about $48,000,000 to be expended within the present year. Under those conditions the money should be spent in accordance with the practice that has obtained since these various departments were formed.

Mr. MANION: How many tens of millions of dollars did my hon. friend and his predecessor in the Liberal government as ministers of public works spend on the Welland ship canal without any tenders at all after the first contract had been let?

Mr. ELLIOTT: The same figures.

Mr. MANION: At the same figures and without calling for tenders at all.

Mr. ELLIOTT: I will say to my hon. friend what I thought he would have known, namely, that I am not as familiar as he is with what happened with regard to letting contracts for the building of canals.

Mr. MANION: Yes; that was by the Minister of Railways.

Mr. ELLIOTT: That was by the Minister of Railways. But I think he will agree with me that if those contracts were let originally by public tender, there could not have been very much fault in following along by letting subsequent amounts at the rate that obtained after public advertisement in the first place.

Mr. MANION: I am not quarrelling with the method, except that I do not think there is a very big difference between that and letting to a group of contractors even if they are limited to one section of the country.

Mr. ELLIOTT: I am surprised to hear the Minister of Railways and Canals make such a contention. It is just about the thinnest contention I have ever heard from a man who has been charged with the expenditure of money in a large spending department. Let us clearly understand what his view is. You let by tender after public advertisement a large contract at unit prices, and as was the case during the years to which my hon. friend refers prices of labour and materials were rising annually.

Mr. MANION: But not all the time.

Mr. ELLIOTT: All of that time, the time of which he complains. Then you continue letting at the unit price further amounts of identically the same kind of work.

Mr. MANION: Years later.

Mr. ELLIOTT: I say that is good business, if the cost of material and labour is rising, as it was during that time.

Mr. MANION: That is a matter of opinion.

Mr. ELLIOTT: But of course, as with most of my hon. friend's interruptions, it has no bearing on my argument. I say this letting of contracts for buildings—and it applies also to harbour improvements and dredging—

Mr. MacMILLAN (Saskatoon): And to the purchase of land?

Mr. ELLIOTT: In the purchase of land of course you would have to rely upon valuations by the proper authorities. But as far as buildings are concerned, and dredging, there can be no justification whatever for that course of action. I say to the minister now that if he expects to get that bill put through without opposition, instead of this system of inviting tenders for the larger contracts he should go back to the old rule as established under the Public Works Act. I cannot see how he can justify doing otherwise.

So far as the suggestion of my hon. friend is concerned, this work was planned originally as unemployment relief. And we were told by hon. gentlemen opposite with a great show of virtue that it was to be non-political. But I have it from various sources that everyone who was asked to tender was not merely a supporter of the Conservative party but a militant supporter in the section from which he comes.

Mr. LOUCKS: That did not apply in connection with the bridge at Outlook.

Mr. ELLIOTT: We are not discussing that, but as far as I remember it—and I remember it very well; I went over the order in council—there was a large amount paid for drawing sand, which was paid for at unit prices, as I recall. I do not recall whether it was let by tender or not but if it was not I say it should have been; there is no question about that. Then we have the amount that is being spent by the Marine department. I do not think I need say anything in regard to that. I think enough was said, too much indeed, the other evening—quite sufficient, I know, to satisfy the Minister of Public Works, who is in charge of this bill, that the way that business was done was not right.

As far as buildings are concerned, in the program which is now contemplated all that can reasonably come under the heading of public works, the places where the buildings are to be constructed, the estimated cost and all matters of the kind should be passed by this committee, as was done during the former regime and as always has been done until this change in the Public Works Act was made. Then so far as invited tenders are concerned, that practice should be abolished. As to the large harbour works contemplated in this program, they should appear in the schedule to the bill which my hon. friend is going to introduce.

I do not know that I can add anything to what I have already said. I think I have made it quite clear what the objections are to giving the minister a roving commission to do work wherever he likes by putting large amounts in the schedule not attached to any particular work. What possible advantage can result from inviting tenders from a selected list instead of by public advertisement? On the contrary, disadvantages are bound to accrue to the government and to the treasury. I hope the minister will take these things into consideration and be prepared, when we come to the second reading of the bill, to make such amendments as will bring the practice into accord with the Public Works Act as it existed before these provisions were made.

Mr. STEWART (Leeds): I have listened with a great deal of interest to the remarks of my hon. friend. He is almost righteously indignant about some things which he says have happened under the provisions of the act of last year. I want to assure him at the outset that there is no cause for indignation, no cause for anxiety. There has been no loss to the treasury, and everything has been conducted in a straightforward, clean and capable manner.

I do not propose to go into details in discussing the matter at this stage, because it seems to me that the details are scarcely relevant to the resolution which is now before the committee. We were discussing this same matter on the estimates of the Public Works department, and we are prepared to continue that discussion and go into every item which my hon. friends may desire to discuss.

My hon. friend's objections, as I gather them, may be put under two heads. He says it was wasteful to divide this work and allot it to three or four different departments; in fact I think he said that four or five new departments had been set up. Well, that is not accurate. No new departments have been set up. Under my hon. friend's administration and that of his friends, the Department of the Interior were carrying on construction through the Department of Indian Affairs. They had their architect; they had their staff. True, it is not as large as that of the Public Works department. Then the Department of National Defence has a competent staff of engineers, as my hon. friend knows, and the works which were assigned to that department were those which it was peculiarly qualified to handle. There has been no loss or detriment to the public interest in that respect. With regard to the dredging and the other work done by the Department of Marine and by harbour commissions, similar work was carried on during all the years that my hon. friend was Minister of Public Works. The very same policy has been followed with respect to the carrying on of those works as was followed during those years, as I understand. The Minister of Marine will be able to explain that more in detail.

With regard to the inviting of tenders we had a pretty full discussion when this bill was up a year ago, and it was distinctly provided that works up to a certain amount should be under the control of the minister, and that for works beyond that amount tenders should be secured. The word "public" was with the approval of this house deliberately omitted from the provisions of that bill, so that in not inviting public tenders in certain instances we complied strictly with the provisions of the act. I submit that the object of inviting public tenders is to secure competition. The only object to be served in any course that is pursued is to secure reasonable competition. There are two or three methods by which that competition can be secured. It may be secured by public tender, and I think my hon. friend will admit that not always in the case of public tender has an honest and fair competition been secured in the past. It may be secured also by asking tenders from a selected list, and it does not make any difference whether they are invited publicly or invited from a list; so long as reasonable competition is secured the public interest is protected. I invite my hon. friend to read Hansard of last session where he will find that members on both sides of this house advocated that a course should be taken to prevent a few large contracting firms from securing all the contracts because they had peculiar advantages, superior equipment, and so forth, and as this was a relief measure members on both sides advocated that tenders should be invited locally. That has been done, and I want to tell my hon. friends that when the estimates of the Puiblc Works department come up he can have a list of those from whom tenders were invited on each occasion, and he will find that not only was the list large enough to secure good, clean competition but in every case the competition was keen, and if in one or two cases the tenders were not satisfactory the contracts were not awarded on those tenders, and public tenders were then invited. That is the course that was adopted with respect to these tenders. We always have the protection of the architect's estimate, and if in any given case the tenders do not compare favourably with the architect's estimate there is no obligation to accept them.

All I have to say is this, that as far as I know the public interest has been protected in every case, whether public tenders were invited or whether tenders were invited locally with the object of giving the work locally and in the province in which the project was to be carried on, as was the declared intention of the act.

The new act as I have said, will follow in the main the lines of the old act, and if the same precautions are taken as have been taken in the past I am sure with regard to these tenders that the public interest will not suffer. I am just as anxious to protect the public interest as my hon. friend is, and I want to say to him that these are peculiar times, times when it is not difficult to get competition. These are times when people come knocking at the door asking for an opportunity to

tender; you do not have to have public advertising in order to get competition. If anything the competition has been unduly keen; if any complaint can be urged I would say that the competition has been too keen and contracts have been awarded barely at cost—in some cases the contractors say at even less than a reasonable cost. I am sure that a candid review of the situation, a careful examination of every case, will disclose that the public interest has been protected and that reasonable competition has been secured, and I am sure that that is all any member of this house ought to ask for—reasonable competition. That course will also be adopted in connection with the new act.

With regard to the two items for considerable amounts which my hon. friend suggests have been used in a manner that was not intended, let me say that the item with regard to public buildings, as my hon. friend knows, was for the purpose of putting all the public buildings in a good state of repair. During the last three or four years and possibly for a longer time than that, considerable maintenance had been deferred, and the first thing we did was to go over all these buildings and put them in fairly good repair. The work has not been completed, but the list of expenditures filed by the Minister of Finance will indicate that there was a great number of items of expenditure in this connection. That was the object and the purpose of the vote, and it was not too large for the purpose. The number of buildings that were constructed out of the appropriation was very small indeed, and consisted of small amounts. I shall be prepared when the estimates are up to give my hon. friend a list of all these buildings.

Again I assure my hon. friend that the public interest has been safeguarded in every case. There is no hundred per cent efficiency in any method of tender. Public tenders are not one hundred per cent sound or efficient in every case, and local tenders may give just as good results as public tenders. Under the conditions of the times, and with the keen competition that has prevailed, there has been no difficulty in securing reasonable prices, and low prices, in the course that has been adopted.

My hon. friend says that in every case friends of the government were selected. He is mistaken. People have written in asking for the privilege of tendering, and that has been accorded. I know that in many cases—

Mr. ELLIOTT: Would my hon. friend permit a question? Do I understand him to say that in every case where somebody has written in asking for the privilege of tendering it has been accorded?

Mr. STEWART (Leeds): I did not say in every case, but I say in many cases they have done so and in many cases their request has been granted. I have had it represented to me that many Liberals are getting these contracts and wondering why the Conservatives could not get them.

Mr. MANION: My hon. friend from West Middlesex (Mr. Elliott) belittled the suggestion I made that the Department of Railways under the previous government had let contracts, not calling upon a selected list of contractors to tender on them, but without a selected list of any kind. I looked in my desk and I happened to find here a list of twenty-one items between 1924, and May 28, 1930, in which the Department of Railways and Canals under the late government let contracts to different companies without any tender at all. It is true that they had tenders originally. For example, the last one they let was on May 28, 1930, just two months to a day before the last election. They let one for $300,000 to a company which had been given a contract six years before, and without any tender of any kind whatsoever. I have twenty-one items here running into huge figures—$119,000, $115,000, $113,000, $162,000.

Mr. ELLIOTT: Does my hon. friend approve of that method?

Mr. MANION: As a matter of fact I do not find any particular fault with it, and I am not particularly criticizing the late government. But when my hon. friend takes such a righteous attitude, a sort of holier-than-thou attitude, and suggests that we were committing a crime in calling for tenders from a group of contractors and not from everybody in Canada, I do not quite see where my hon. friends opposite were so much holier than we. So far as the hon. gentleman himself is concerned, when he was Minister of Public Works I well remember the vain effort I made over and over again to get my post office painted or to get anything done. The post office in my constituency was built in 1909, when the population stood at between 8,000 and 9,000 people; it is now trebled. During the time my hon. friend was Minister of Public Works I do not know how many times I appealed to him on the floor of the house. I called upon him and applied to him in every way to get some little repairs made to the post office, but I was never successful, not even to the extent of a coat of paint; not one dollar was spent on it. The place was falling down and people were writing to me and telling me about the disgraceful condition in which the

post office stood. I would report those conditions to the minister, but not one cent would be spent. That had nothing to do with politics; oh, no, politics was not in that.

I have risen merely to point out that I hold in my hand this list of contracts. I must say that I have no particular criticism against my hon. friends opposite, but I do say the hon. member for West Middlesex, an hon. member who as a former minister of public works knows a good deal about the work of that department and of the Department of Railways and Canals, should be a little more hesitant when he seeks to criticize the present Minister of Public Works, who, according to my understanding, has called for tenders in connection with practically all of these jobs.

Mr. ELLIOTT: I wish to say in answer to the Minister of Railways and Canals—

Mr. MacMILLAN (Saskatoon): Tell us about the gaol farm at Regina.

Mr. ELLIOTT: I will discuss the matter with the hon. member at any time he suggests.

The Minister of Railways and Canals has said that in nine years twenty-one jobs were let without public advertisement.

Mr. MANION: In one department.

Mr. ELLIOTT: And they were extensions of previous contracts. The minister has said he does not object to that procedure, but I cannot take a similar position. I do object to letting large contracts by invited tenders.

The Minister of Public Works has stated that he has followed the practice adopted by the former administration. He has stated of course that a change was made in the act passed last year, and he advances the argument that the department acted as it did because of a desire to have the work done by local labour. The work could be done by local labour just as well if the contract were let by public advertisement as if invited tenders were accepted. All one would have to do would be to insert a clause in a contract stating that local labour must be employed. There would be no difficulty about that, and of that fact the minister is undoubtedly aware. Inviting tenders rather than advertising for them does not ensure getting the work done by local labour. There is no defence for the system of letting contracts aggregating many millions of dollars in one year by invited tender. There is no excuse for it. If there is an excuse, then what has been the necessity of insisting upon public advertisements since the days of confederation?

[Mr. Manion.]

I know something about the Department of Public Works, and I think it is fair to observe that that department may have followed the old rule a little more closely than some other departments. I do urge however that the system of invited tenders, except in exceptional cases, should be abandoned in connection with a great program of public works for relief purposes, to relieve unemployment to improve the conditions now obtaining. The system of inviting tenders should be abolished and one of public advertisement take its place.

Mr. STEWART (Leeds): As the hon. member is no doubt aware, to a very great extent contracts in the Department of Public Works were awarded by public tender. That is true of all the larger undertakings. For purposes of illustration may I state what happened in one case when a contract was awarded to an outside contractor. At a certain point a building was to be erected, for which work an outside contractor was awarded the contract. He landed in the little town bringing with him all supplies which had been purchased in the city, and also had the services of a complete staff. The hon. member will understand that in these peculiar times, when in most localities unemployment exists, the citizens will bring pressure to bear to see that any work done is given to the people in the respective localities. He will realize just how strong would be the protest if a contractor from Toronto landed in London or the village of Glencoe for the purpose of erecting a tower or placing a clock on the public building, and brought with him his own help and supplies. The strongest possible representations have been made from every direction urging that so far as possible the works should be awarded to local contractors and supplies purchased locally. In specifications we have inserted a clause providing that the contractor must employ a reasonable quota of local labour and of returned soldiers. In these difficult days we are doing our best to meet existing conditions, to distribute the work among all contractors, to see that the larger contractors do not get it all and that the local contractors get their share. We are attempting to deal with the matter sympathetically from the point of view of local conditions and in such a manner that plants may be kept operating and in a position to employ the largest possible amount of local labour.

Mr. ELLIOTT: Has there been any difficulty in any of the cases in which it has been prescribed in the advertisement for tender that local labour must be employed?

Mr. STEWART (Leeds): Oh, yes. I have had many protests to the effect that contractors from the outside have not fully respected the clause in their contract and specifications, and that local people have not received their fair share of employment. Sometimes I have felt the representations were justified, and I have had to appeal to the contractor with a view to having him employ a larger percentage of people in the immediate vicinity.

Mr. MERCIER (St. Henri): The resolution before the house is as follows:

That it is expedient to bring in a measure to create employment by public works and undertakings throughout Canada, and to authorize the government to guarantee equipment securities of the Canadian National Railways and Canadian Pacific Railway Company in the amount of $15,000,000.

I take it for granted that in the ordinary course of events the bill founded upon the resolution will become law. I am most concerned however in the question how the moneys will be divided. Hon. members are aware that in the western section of Montreal we have a large plant known as the Canadian Car and Foundry Company, Limited. When that plant was operating at full capacity about 3,000 people were employed, but for the past three years the number of employees has averaged only about 100, and at times only 50. Formerly in the manufacture of railway cars, diners and freight cars the plant gave employment to tool makers, carpenters, varnishers, painters, and workmen engaged in other trades. To-day these operations are greatly limited. The birds have built their nests in the chimneys and we do not see the smoke or hear the whistles which tell that men are working. All these men are anxious to go back to work. When the $15,000,000 is divided up I hope that the eastern and western parts of Montreal will get their share. The Angus shops and the Canadian Car and Foundry Company should be considered in the distribution of this money so that as many workers as possible may be given employment. This foundry has always built the cars for the Canadian National Railways and I contend they should get a fair share of the money to be spent. If 2,000 people at present unemployed were able to go back to work, a considerable load would be lifted from the shoulders of the relief commission. All these men are sincere in their desire to go back to work and they should be given work not only in their own interest but in the interest of Canada as a whole.

Mr. BURY: Mr. Chairman, I have neither the intention nor the desire to follow the hon. member for West Middlesex (Mr. Elliott) in his wanderings beyond the ambit of the resolution, but I should like to refer to one point raised by the Minister of Public Works (Mr. Stewart). When the public works program bill was being considered last year I believe I was the first member of the house to plead that when contracts under a certain figure were considered, tenders should be confined to local contractors in cities of such size as to create genuine competition. This plea was listened to with a great deal of sympathy and received general support from both sides of the house. I think this was rightly so when we realize that the express purpose of the bill was to provide relief rather than simply to erect certain structures or buildings. It was intended to give as much work as possible to the different communities of Canada. I argued, and I believe my argument was listened to with sympathy, that the purposes of the legislation would not be effective unless some limitation were placed upon the principle of tendering. A large contractor is able to carry his overhead at a comparatively small percentage of his turnover; such a contractor might be successful in obtaining a contract in a nearby city and could come into that city and underbid for a certain job. A considerable amount was allotted to Calgary for a building in connection with the Department of National Defence. A contractor fortunate enough to obtain a large proporton of this contract could go into Edmonton and underbid for work in that city. In this way the purpose of the bill would be defeated. It is of no use to say that when you call for tenders for the erection of a building in Edmonton and a contractor in Calgary, Winnipeg or Montreal obtains the contract, it can be provided in the specifications that local labour must be employed. It is only natural that some local labour will be used, because a contractor is not going to put himself to the expense of transporting the labour from the city to which he belongs. But he will bring his key men and members of his staff, and perhaps considerable of the needed material. The best part of the money spent on the contract will not remain in the locality. Any profit there may be on the contract will be carried back to the contractor's home city. The money earned by his key men and his staff also will be taken away. For these reasons it was logically and properly urged that this principle be adopted, and it was looked upon favourably by the house.

Public tenders were called for in Edmonton, and although it was not stipulated that the

tenderers must be local men, we were fortunate in having a local man put in the lowest tender. I understand that he is likely to get the contract. A principle which might be perfectly sound when the only purpose of a construction program is merely to provide buildings or structures for the use of the government may not be applicable when the purpose of a program is to provide work in as large a measure as possible under the circumstances. Therefore I think the policy adopted by the Department of Public Works was not only entirely justified but was in accordance with the views and wishes of the majority of hon. members of this house.

I should like to refer briefly to that part of the resolution providing for $15,000,000 as a guarantee for the purchase of railway equipment. I ask that as much of this work as possible be done locally. In the Canadian National shops in Edmonton we have had 94 men laid off in the car and coach department. A census taken of 63 of these men shows that 54 of them are on relief, some of them having been from ten to seventeen years in the Canadian National service, and they are now in danger of losing their pension rights and their homes. That is a very serious matter for them, and when we look back at the conditions out of which this situation arose we have to recognize that the men themselves are not to blame for it. Years ago this country, under the influence of a too optimistic conception and estimate of its railway requirements, branched out in every direction in an inflated program of railway construction. Our program was too optimistic; our actual railway development was too optimistic; but these men entered the service of the railway with the natural assurance that they were entering into what was practically steady and regular employment. They did so on the strength of the wisdom and the decision and action of this parliament, and after working there for from ten to seventeen years they are now out of employment largely as the result of over-optimism in those years. Surely it is the duty of this country to do everything within reason, when work is going, to see that it is spread among the railway men as far as possible. I do not say that all the money can necessarily be used in this way, but I am pleading that to the very limit of possibility the moneys granted in this way be used in repairs in order to take back men in the railway repair shops for the construction of new rolling stock and in equipment, where such equipment is made. I therefore join with the other members of the committee on both sides of the house who have urged this upon the minister.

[Mr. Bury.]

Mr. RALSTON: I wish to follow what my hon. friend (Mr. Bury) has said with regard to the general principle which he said was advocated last year in the house and generally accepted, and I desire to direct the attention of the committee to the manner in which that has been carried out, at least in one or two instances that have been brought to my notice. I realize that the minister is under some handicap because he lays down to a certain extent general principles and the reports of his officers indicate to him that things are being done in such and such a direction. The only way to test these things is by finding out whether in concrete instances the general principle is carried out as suggested by my hon. friend from East Edmonton (Mr. Bury). The hon. gentleman laid down a principle which he said he advocated last year, that in connection with jobs, in the smaller communities at any rate, tenders be called for from all local contractors and that there be genuine competition; and he stressed the fact that the sort of competition he meant should be genuine and real. That general principle perhaps is not to be objected to at all, but I would point out to the hon. gentleman that that is not what most of us are really concerned with. We are not concerned with outside contractors coming in. It is all very well to discuss that, but after all that is not the cause of most of the waste of public money which is going on in the country. The waste of public money is going on because they are not merely limiting the call for tenders to people in the place but they are limiting them to one or two Conservatives in the place, and there is no competition whatever. I will give my hon. friend an example or two. I am surprised at it myself and I am sure the minister does not know about it; but it is only by having concrete examples that we can understand what is going on.

I am looking at a paper, the Eastern Chronicle, which published a report with regard to some repairs made in the town of Pictou involving $9,000. That is not a large amount, but it would provide work for quite a number of people and give the necessaries of life to quite a number of women and children. How was the money spent? There were several jobs to be done, and this is the genuine competition, the real competition, to use my hon. friend's expression, which was adopted in that instance. There were general repairs to be done and tenders were asked from a gentleman by the name of McKay and a gentleman named Adamson. There was cementing on the driveway to be done and tenders were

called for from a gentleman named McCuish and a gentleman named Adamson. And there were general repairs in the customs house and tenders were called for from a gentleman by the name of McKay and a gentleman by the name of Adamson. Adamson was a competing tenderer in all three jobs, and strange to say he just missed getting the job by a hair in each instance. I may tell the committee that Adamson is not a contractor; he is connected with a company that runs a planing mill and he is a prominent Conservative worker. In view of this fact I am not so sure that the genuine competition, the real competition which my hon. friend has spoken about, took place in connection with that work. What was the result? The result was that Mr. McKay tendered $2,240 for general repairs and Adamson just missed getting the job; he tendered $10 higher and McKay got the job. In connection with the cement work on the driveway McCuish tendered $750, and this competitor, who was supplying the real, genuine competition, tendered $780, with the result that McCuish got the job. For the general repairs in the customs house McKay tendered $3,400 and Adamson, the same gentleman, who was not a carpenter nor a contractor, tendered $3,520, in order to furnish the real, genuine competition we have been hearing about. The result was that McKay got all three jobs. Three times Adamson just missed getting it.

An hon. MEMBER: Purposely.

Mr. RALSTON: I do not know; no one would suggest that. I do suggest however that the competition was not as genuine as we are led to believe, nor was the call for tenders as widespread as the boundaries of the town of Pictou, because there are no fewer than six carpenter contractors in that town, and the only men who were asked for tenders were McKay and Adamson. And, as I say, Adamson just tendered high enough to allow McKay to get in under the wire. To add a little more to this real competition, Mr. McKay was given the job, without tendering at all, of fixing up the janitor's quarters at $900. So that we have Mr. McKay getting three jobs amounting to $6,540. There were two more jobs in connection with painting, and here we see some of the real, the genuine competition. Tenders were asked for from two men, Mr. Veniot and Mr. Munsie. This was in connection with exterior and interior painting in the post office building. Mr. Veniot tendered $900 and Mr. Munsie $985, and of course Mr. Veniot got the job. But he did not get the job in connection with the customs house because here we find that Munsie tendered $1,500 against Mr. Veniot's $1,590. In the first job, the post office, Munsie was $85 above Veniot and on the customs building Veniot was $90 above Munsie, so they called it a day and did the work together on both buildings. I understand one man hired his son and the other man hired another man. That was the amount of spread that was made in regard to the work that was to be done for the needy in connection with those painting jobs. That is the situation that prevailed in the town of Pictou. I call that to the attention of the Minister of Public Works, and also the hon. member for East Edmonton, who has laid down a principle which appeals to us of its being desirable to spread the work around. But is it spreading it around when one contractor tenders just high enough to let the other man in, or, as in the case of the painting jobs, when tenders are called for from two men, one of them gets one job and the other gets the other, and they do the two jobs together? That is an example which shows where money is not being properly expended. The minister may call for tenders from local contractors, but in that case let him have some competition between them. That is one point.

The other point is referred to by the hon. member for East Edmonton, who suggested that this work should be spread around among the needy; that it was not a job for partisans at all. I have consistently said in this house—and I do not take it back now—I understand perfectly the system by which not unnaturally the friends of those who happen to be in power get positions in connection with ordinary public works' estimates, but I have contended, and I stick to this, that in connection with relief matters that system should not prevail. The money is voted for the same purpose as the dole, to keep body and soul together; therefore it should reach the people for whom it is intended—the needy, whether they be Liberal or Conservative, black or white. In that regard I have brought to the attention of the Minister of Public Works on a number of occasions, not big cases, not cases where large general principles can be laid down, but cases in which when the work is being done, the foreman put there is discriminating against the needy in the locality, leaving off people with large families and taking on single men simply because they happen to be of the same politics as he is.

I have brought to the minister's attention a couple of cases of that kind which were brought to my notice only the other day.

One in Halifax was brought to my attention by the local member there. He wired me in connection with the work at Sambro where eleven single men without dependents were working on the wharf—they were all Conservatives—while about eight or ten families in that community were in want. They were Liberals and did not get a job. I brought that to the attention of the minister and he said that he would investigate. The regretted death occurred of the district engineer down there and I do not know whether the minister has had a report, but I bring to his notice that under the system which prevails in his department and under the system of administration of relief in this country, the report is made too late; the horse is stolen by the time you get to the stable. The work is done; the money is spent; party heelers have their share of it, and the needy are once more on the bread line and looking to the municipality for help. There ought to be a quicker method of getting a report or a more efficient way of enforcing the rule which the minister says prevails. It may prevail in the department up here, but it does not prevail among the foremen who are giving out these jobs. That rule ought to be put into force on the work rather than in the Public Works department here.

The other case is one about which I wrote him some three weeks ago, on March 20, I believe. It was a case in Clarke's Harbour on Cape Sable island where the report as it came to me was that single men were working on the job while men with large families and in need were being kept off it. I do not know what answer my hon. friend has to make, but that is the situation as it was presented to me. Accepting all the principles which the hon. member for East Edmonton has laid down, I gave the minister some cases where those principles are not being carried out. We may have our big relief problem and we may legislate and vote money, but if that money does not get to the public who need the food and clothing and whose children are hungry and cold, we are not doing very much in the way of carrying out a real relief system, and we might as well shut up shop. We are voting this money for the purpose of getting it to the people; you cannot feed the people on fine principles or regulations. I therefore point out to the minister, first, that this system of calling for local tenders is a waste of money unless there is general competition. Second, I bring to his attention the cases of needy people who are not being looked after.

Mr. QUINN: May I say a word at this point, since the hon. member for Shelburne-Yarmouth (Mr. Ralston) has mentioned a case in Halifax? He referred to the Sambro work. That contract was given out by tender and the contractor who was awarded the job is a Liberal. I have had several complaints from the people who live right in the district in which the work is going on, that this contractor gave all the work to Liberal friends from outside while men in the district of Sambro and the adjoining district of Camperdown were idle.

Mr. RALSTON: It is remarkable that the minister did not report that to me; he has had my letter for two months.

Mr. QUINN: I do not know what the minister reported. I am reporting myself. The local member for West Halifax, who is a good friend of the hon. member for Shelburne-Yarmouth, is also a good friend of mine. He reported the case to me and I replied, telling him that I had no authority over the matter; that the contractors could employ whomever they saw fit; that the government had no control.

Mr. RALSTON: I just want to finish that up. I do not care whether it is a Liberal or a Conservative or who it is—

Some hon. MEMBERS: Oh, oh.

Mr. RALSTON: —who has the contract, but I repeat that the relief system in this country should be so administered that employment is afforded to the needy. If these contracts are not given so that the minister has control over them, it is pretty nearly time we stopped voting money for that purpose. If my hon. friend means that the government can let a contract and then simply fold its arms and say to the contractor, "you can employ whom you like," that is not carrying out the proper policy. Nobody until this minute has suggested in the first place that there was a contract or in the second that the contractor was a Liberal, or in the third place that there was any excuse for the situation that existed at Sambro. There can be no excuse as long as the fund is being handled by the Department of Public Works or the Department of Labour which is administering relief in this country.

Mr. QUINN: The hon. member for Shelburne-Yarmouth conveyed the impression, whether intentionally or not, I cannot say, that this work was being done at Sambro and only Conservatives who were brought in from outside were being employed. I may say further that a contract was awarded only last year at Camp Hill and the local Liberal member for Halifax was awarded it. There was no politics in that case. I had complaints

about that very same matter, but I have no jurisdiction over it nor could I do anything in regard to it. The contract was let by public tender and this man was the lowest tenderer. They were all Liberals who were employed on the job.

Mr. STEWART (Leeds): The hon. member for Shelburne-Yarmouth has spoken about some contracts awarded at Pictou. Those are contracts under $5,000, for small repairs and alterations. Under the provisions of the Public Works Act those contracts are let and awarded by the minister and his department; there is no provision for calling for tenders on any such contracts, and the practice of the department has not been in any past year to call for public tenders in connection with works of this kind. The very same practice that was followed by my predecessors with respect to such contracts has been followed in my department.

Mr. RALSTON: Oh, no.

Mr. STEWART (Leeds): I say yes. I know quite well what I am talking about. I want to say to my hon. friend that wherever he has made a complaint we have investigated it. In some cases my reports show that the complaint was not at all justified, and in many cases I find that single men employed have dependents. It often happens that unmarried men have dependent parents.

Mr. RALSTON: Will my hon. friend tell me about this case?

Mr. STEWART (Leeds): I do not know about that particular case, and I do not know that my hon. friend knows about it personally. He has certain information, but often information supplied to him or to me is not accurate.

Mr. RALSTON: I can assure my hon. friend that I believe the information, and I challenge him to deny it.

Mr. STEWART (Leeds): Very often hearsay information is found on investigation not to be accurate. I want to tell my hon. friend that political allegiance is not the basis upon which these contracts are awarded. Our local architect or local engineer is asked to secure reasonable competition, and also we always have the estimate of the architect as to what a particular piece of work is worth. If the tenders exceed that amount, the work is not done, the contract is not awarded, and the public interest is protected at every turn.

Mr. RALSTON: Will my hon. friend tell me about the Sambro case and the Clarke's Harbour case?

Mr. STEWART (Leeds): I cannot tell my hon. friend from recollection, but if my hon. friend asked that it be investigated it was investigated. I do not know that my hon. friend has personal knowledge—

Mr. RALSTON: I gave my hon. friend very frankly the source of my information. It was not simply a report made by someone interested or someone wanting employment; it was a report from George E. Hagen, the local member. On February 18, almost two months ago, I sent my hon. friend a copy of the telegram. It does seem to me, in view of the fact that the minister assured me that it would be investigated and a report hastened, that I might have had the report by this time.

Mr. STEWART (Leeds): The work is completed, isn't it?

Mr. RALSTON: That is just my complaint; the work is completed and nothing is done.

Sir EUGENE FISET: Now that the proper form for calling for tenders seems to be settled, may I be permitted to ask the minister if he has received from the chamber of commerce of Rimouski and other bodies of lumber merchants on the lower St. Lawrence a request for the enlargement of the wharf and harbour capacity of Rimouski? The chamber of commerce wrote the minister and have been courteous enough to send me a copy of their letter. Part of the letter reads as follows:

> The rapid developments of the St. Lawrence north shore have caused various navigation companies to be organized to take care of the present and future trade and contribute to the development of the lower St. Lawrence districts, but they feel that, unless new accommodation be given at the Rimouski harbour, they will be forced to abandon indefinitely, projects of future increase.
>
> The inter-imperial commerce has been a subject of deep thought for the Chambre de Commerce de Rimouski. The districts adjacent to Rimouski county, including the Matapedia valley, are great producers of agricultural, fishery or forestry products. (To Great Britain only, we have shipped 66,000,000 feet of lumber last summer.) These districts are seriously handicapped by their difficulty to reach adequate markets, unless they can do it by water. They hence look forward to an empire trade for their prosperity; but this empire trade can be obtained only by maritime routes; owing to this, they conclude to the urgent necessity of multiplying the actual capacity of the Rimouski wharf.
>
> The attached statistics will show you that in the years 1933 and 1934, there has been a considerable increase of traffic at the Rimouski harbour. If better accommodation had existed, this traffic would have been more considerable, for, owing to many freighters having to wait for space at this wharf, the shipping companies were not disposed to calling at Rimouski.

The prospects of industrial, fishing and agricultural developments in sight by the navigation companies in our territory show that during the next ten years the Rimouski harbour requirements will have to be multiplied many times. The right policy to follow in this case, is to improve the harbour to cause these prospects to materialize without any drawbacks in the shipping facilities. To wait for years after the shipping needs have imposed themselves on the shipping companies would be a prejudice translating itself into millions of dollars of losses for the Rimouski districts, and the country in general.

The most urgent need at present, is a new flooring on the wharf. The service track has become very dangerous for locomotives, although so far, only small No. 30 locomotives have been used. The C.N.R. may refuse any time to allow their locomotives to enter the wharf. A new track on piling has become an urgent and immediate necessity.

The other improvement called by the actual new needs and those in sight, is a duplication of the present wharf area and water space for ten or twelve berths, with a depth of twenty-five feet. With these repairs and developments the traffic is bound to increase with a rapid step and our north and south territories to come to prosperity, with our program of empire and local trade.

They have sent to me also a memorandum showing the traffic on the Rimouski wharf during the season of 1934 in order to prove not only that their request is reasonable but that the work asked for is practically speaking an absolute necessity. I may say that during the year 1934, 61,000,000 board feet of lumber were sent overseas from Rimouski; 18,000 cords of pulpwood, 25,000 lineal feet of hardwood, 100,000 shingles, 1,643 spruce poles, 1,117 freight cars of merchandise and farm and industrial produce were unloaded on the wharf for shipment; 728 trips were made by the switching locomotives of the Canadian National Railways; 111 boats and schooners of from 7 to 4,400 tons made 920 calls at the wharf. They also call attention to the fact that many of the companies operating in the valley of the Matapedia as well as the Matane valley, and all the lumber manufacturing companies such as Price Brothers and Finlayson Brothers and all those companies operating in the lower St. Lawrence district, were handicapped last year in the use of the present facilities of the wharf, owing to the fact that boats had to wait outside the harbour up to three and four days, paying demurrage, it being impossible for them to come near the wharf to load. A great deal of traffic has thus been lost. I should like also to call the attention of the minister to the fact that the local company, called the Rimouski Navigation Company, was established about five or six years ago; they operate at the present time three ships, and another is being built in England and will be operated next year. Last summer they transported the traffic shown in the following table:

Ship	Passengers	Freight Tons	Livestock Heads	Mails Bags
Manicouagan. .	2,107	790	87	2,191
Pere Arnaud. .	5,771	1,610	173	1,472
Marco Polo. .	5,229	1,274	623	4,857
Total. . . .	13,107	3,674	883	8,520

I may say further that the establishment of this local company, with the subsidy that the government have generously given to them, has enabled our local farmers to sell their products on the north shore of the St. Lawrence. The company, instead of applying its subsidy solely with a view to its own profits, has allowed a discount on transport rates, equal to the difference in freight between Montreal and Rimouski by rail and water and a discount of six per cent on the Montreal price has been given by the company to the farmers, which I think is an example that has been followed by very few companies which have received subsidies from any government.

I should like to ask the minister if he has received from his local engineer plans, specifications and prices for the development of the harbour of Rimouski. I support to the utmost the request not only of the board of trade but of the whole local population, not only of the county of Rimouski but of the whole of the lower St. Lawrence. These developments are an absolute necessity. In view of the fact that we have had in the past very little work as relief for our local population, I hope the minister will give us due consideration and try to meet the wishes of our population.

Attached to this request of the board of trade is a report from the superintendent of the Canadian National Railways in which he says that the pavement of the wharf and the substructure are not strong enough to enable ordinary locomotives to be operated on the siding going from the station to the wharf, and they have to use a special class of engine there. They ask that the first work to be undertaken should be the repavement of the present wharf, and the strengthening of its supports. I hope the minister will give due consideration to their request.

Mr. STEWART (Leeds): I do not wish to enter into a discussion of a particular item or anything of that nature on this resolu-

tion. I am anxious to get the resolution passed and get the bill before the committee as soon as possible. But I may say to my hon. friend that I received the petition to which he refers, after he had himself made representations verbally and by correspondence to the department as to the necessity of this undertaking. As I recall, it involves an expenditure of something in the neighbourhood of $400,000, a rather tidy sum, which of course we could not take out of any general vote, and which under the argument which has been submitted would properly be the subject of an estimate in the house. Provision has not been made in the main estimates for this work, but I promise my hon. friend that in view of his representations it will be considered for the supplementary estimates.

May I hope now, Mr. Chairman, that as we have had a pretty full discussion, and as the resolution is more a matter of policy than of detail, we may be able to get on with it and get the bill before the house. I know many hon. members are anxious to see it.

Mr. ROSS: I was very much pleased to hear the Minister of Railways (Mr. Manion) say that some of this money would be expended on work to be done by private companies. I was also pleased to hear the hon. member for Shelburne-Yarmouth (Mr. Ralston) suggest that single men should not be employed on these jobs, and when I take up a case with the minister to-morrow morning I hope now that there will be no objection from the other side. Also I am in sympathy with my hon. friend opposite who wanted some of this work given to the Canada Car Company of Montreal. I would remind him that if he and I want to get together and see that the companies in our cities get a share of this work, he had better take to task his colleague the hon. member for South Perth (Mr. Sanderson), who apparently is opposed to the policy of giving private companies any part of it. The hon. member for South Perth is a whip of the Liberal party and no doubt closely in touch with the policy of the opposition, so that what he says must surely be taken for the opposition policy. I want to quote to my hon. friend from St. Henri (Mr. Mercier) and to others the exact words used by the hon. member for South Perth this afternoon. We do not want to hog this thing, Mr. Chairman. We simply want the work to be divided up, and I think my hon. friend from St. Henri will agree with me that we do not want everything for the private companies. On the other hand we do not want to follow the policy of the hon. member for South Perth. I want my hon. friend from St. Henri to listen to what the hon. member for South Perth stated this afternoon. I took his statement down and it was this: "Mr. Chairman, I urge upon the minister in regard to this new equipment for the Canadian National that not one dollar of this expenditure be handed out to private companies." These are the words of one of the whips on the other side of the house, and undoubtedly he is pretty closely in touch with the policy of his party. If the hon. member for South Perth has the ear of the opposition, the hon. member for St. Henri and I will be in a bad position, because he doesn't want one dollar of this expenditure given to the private companies. I am pleased that the Minister of Railways has taken a different position and wants this work divided up.

Mr. SANDERSON: Will my hon. friend permit a question.

Mr. ROSS: Wasn't that the statement of the hon. gentleman this afternoon? I took it down.

Mr. SANDERSON: I said that this afternoon, and I have no apologies to make for it. The hon. member for Kingston City (Mr. Ross) is speaking on behalf of some private company in the city of Kingston. I was speaking on behalf of the employees of the Canadian National Railways.

Mr. ROSS: The hon. member for St. Henri and I are agreed that we want a share of this expenditure for the private companies, but my hon. friend from South Perth does not want them to get one dollar. If that is the policy of his confrères, I cannot agree with it, and I trust my hon. friend from St. Henri will back me up and say that he does not agree with that policy.

Mr. MERCIER (St. Henri): I should be much surprised if my hon. friend from Kingston City did not agree with me in wanting some of this work given to the private companies, to the Hamilton Car Company of Ontario, for instance.

Mr. ROSS: I am absolutely with you. These companies came in here to build equipment which the companies themselves could not build, and they have been without work now for four years. The men in these shops have been doing a national work and have been unemployed for years, and they should have a share of this work. That is what I am

pleading for, and when my hon. friend from South Perth says that the private companies should not get one dollar of this expenditure, I say that that is unfair. The men who work in these shops are helping to pay the debt of this country, helping to pay the deficits and helping to maintain the roads, and they should be considered. I was pleased indeed to hear the Minister of Railways and the Minister of Public Works say that they are going to get a share of this expenditure.

Mr. MOTHERWELL: Mr. Chairman, while I am quite interested in both halves of this duplex resolution I am naturally more concerned with the latter half since receiving this telegram addressed to myself from the mayor of Melville quite recently:

Melville, Sask., April 12, 1935.

Have wired Hon. Manion asking share of railway rolling stock repairs be allotted to Melville, and would urge you to support the request as an effort to reduce unemployment here.

Phil Walters,
Mayor.

I gathered from the Minister of Railways in the discussion here this afternoon that the rumour regarding this work being allocated to private concerns had no foundation and that the work would be given to the railways to be done in their own shops. But now that the question has been again raised by my hon. friend from Kingston City I am wondering whether I understood the minister aright, and whether this work is to be given to the railways or to private concerns or to both.

Mr. MANION: I also received a telegram from Melville, and my hon. friend rang me up about it this morning. I tried to explain to my hon. friend this morning, and I thought I had made it clear to the committee this afternoon that the intention was that twenty per cent of this $15,000,000 should go for repairs to the two railways, to be done in their own shops. In regard to Melville itself of course I cannot speak positively. I can only say that if the railways agree to our proposition and decide to go on with this work, the railway shops throughout Canada, both Canadian National and Canadian Pacific, will receive some repair work. The twenty per cent for repairs would be in the neighbourhood of $2,500,000 or $3,000,000 between the two companies. As to work in Melville itself, that will have to be decided by the management, but I would hope, and I will suggest it to them at the time, that they will spread their repair work throughout the country as much as possible.

[Mr. Ross.]

Mr. MOTHERWELL: That is what I would anticipate, but I became rather alarmed when I heard the remarks of my hon. friend from Kingston City, again opening up the question of some of this work being given to private concerns.

Mr. MANION: None of the repair work, but the manufacture of cars and engines would of course go to the private companies.

Mr. MOTHERWELL: I am not so much concerned with that, althought I don't see why private equipment companies should get any of this work. I am more concerned, naturally, with work going to the repair shops at Melville, which have carried, less than a skeleton staff for the last four years, very much to the inconvenience and loss of the workmen, who in the meantime have become scattered around in other cities with larger concerns. The result is that privation and hardship prevail in that otherwise very enterprising town of Melville, and so I hope that the minister and the government, seeing that they are going to guarantee these equipment securities, will exercise their undoubted authority to say where the work shall be allocated. I would think that that would lie at their door, rather than with the railway company. If this were strictly a business proposition and not one deliberately designed to create employment, I would say that the big concerns could turn out cheaper work on the principle of mass production, but that is not the purpose of this legislation, as I understand it. It is deliberately and avowedly designed for the purpose of creating employment, and when you add to that the fact that the Melville shops are quite modern, having been constructed in 1929, well designed, commodious, and well equipped for the purpose for which they were constructed, I would urge upon the minister that he exercise the authority that usually goes with the guarantor and see that some of this work is allocated not only to Melville but to practically all the railway shops that are as well equipped as Melville is.

Mr. MANION: That is our hope.

Mr. GARLAND (Bow River): My very high regard for the minister has not in any degree been lessened this evening, nor indeed this whole afternoon. I have noticed his patience, his courtesy and especially his large fund of information. Comparisons of course are always odious, but I might be permitted to suggest that there is no more capable minister in the government at the present time—

An hon. MEMBER: Which one?

Mr. GARLAND (Bow River): The Minister of Public Works.

Mr. MANION: No Irishman ever talks that way about another.

Mr. GARLAND (Bow River): Only those not of my race would assume that it was at all necessary for anybody to pay compliments to an Irishman. That is the reason I did not include the Minister of Railways and Canals; he does not need them. However my high regard for the minister makes all the more profound my regret in his having to move the resolution. So that we may have the resolution clearly before us I shall read it again:

That it is expedient to bring in a measure to create employment by public works and undertakings throughout Canada—

That principle is very clear, and I think a proper one. I do object to the method of financing, a very stupid one which adds constantly to the public debt and fixed interest charges. However, that is the method which has been selected. Then, we have the following added:

—and to authorize the government to guarantee equipment securities of the Canadian National Railways and Canadian Pacific Railway Company in the amount of $15,000,000.

Although this provision is in the same resolution, we find it separated from the term "create employment." It is true that the whole appears in one measure and may be interpreted as a measure creating employment, but I wish I were guileless enough to believe that the purpose of this guarantee is the creation of employment—I am not. This whole principle of guaranteeing bonds, equipment securities or other types of securities for private profit-seeking companies is entirely wrong and should never have been commenced, as it was commenced in this very House of Commons eighty-six years ago. During the session of 1849 there was introduced in the legislature of Canada a bill which in its preamble stated the principle that in a new and thinly settled country where capital was scarce the assistance of governments could safely be afforded to railway lines. I quote from the preamble:

That such assistance is best given by extending to companies constructing railways under charter the benefit of the guarantee of the government for loans.

No sooner was that principle established than there was a crowd seeking charter privileges. The scandalous railway era developed, out of which arose the vilest type of corruption, the most appalling lobbying system, the most wretched extension of graft both in municipalities and in governments. The history of those days is still one of the blots on Canadian historical records. To-day in this resolution we are simply pursuing the same principle. Surely there are better ways of giving employment to people, if indeed that is the purpose; surely there are better ways than that of guaranteeing equipment bonds of private companies. I tell the minister that the justification in the present instance cannot be established.

Only this afternoon the Minister of Railways quoted Mr. Hungerford as having said that the Canadian National Railways had a surplus of equipment in rolling stock for all normal purposes, that peak loads could be handled in the customary way, and that no danger was anticipated in that regard. Why then are we being asked to guarantee loans of, in the one instance, $8,000,000 to supply equipment which in the opinion of the management is not necessary? It is not a question of saying that this or that is economically possible or that this or that may be economically spent. It is a question of considering two factors, first the employment of labour and second the proper expenditure of money. The present proposal contemplates neither the proper expenditure of money nor the most effective way of giving employment. I direct the attention of the minister to the fact that when the depression struck the railways, and particularly since the general crash, the Canadian Pacific Railway, driven by the very exigencies of its shareholders, at once drastically reduced its ratio of expenditures on maintenance of way and equipment and maintenance of structures. The Canadian National Railways did not follow that procedure but in both instances very properly maintained a sound ratio. The Canadian Pacific Railway cut its maintenance of way and structures as soon as the depression came, to such an extent that had it been paralleled by the Canadian National Railways it would have meant a saving to the Canadian National system of $23,000,000. With respect to the maintenance of equipment, with which we are now particularly concerned, in 1929 the expenditure on both lines was almost parallel. In 1930 the Canadian Pacific Railway cut its maintenance ratio by more than two points, but the Canadian National advanced its ratio of expenditures by two points, making a spread of a little more than four points. In 1931 there was a divergence of 8·82, a divergence which in 1933 rested at 6 points. So it would appear that while Canadian National earnings exceeded Canadian Pacific earnings in 1931 by $43,000,000, or 29

per cent, the expenditures of the Canadian National for maintenance and equipment exceeded those of the Canadian Pacific by almost $23,000,000, or 110 per cent.

The fact of the matter is this, as I see it, that in order to protect the interests of its shareholders the Canadian Pacific Railway deliberately curtailed expenditures on maintenance of way and equipment to a point which has now become dangerous. The Canadian National did not follow that procedure, but very properly maintained its ratio of expenditures. Then the pressure commenced and was again brought to bear upon this government to guarantee for a private profit-seeking railway company the resources of this country, and the government, as have other governments in the past, acquiesced. But there had to be some smoke screen behind which the transaction could be carried on, and in order to avoid a general public clamour the Canadian National Railways is included, although they do not need the equipment. And so we have the national railways included so that the public may be further fooled.

This is not right. It is time a halt was called to this sort of chicanery. I have no interest in the quarrel which has proceeded during the afternoon between the two major parties. Since I have been in the house I have found that when the Liberals are in office the Conservatives accuse them of all sorts of wrongdoing in connection with the letting of tenders without competition, and when the Conservatives are in office the Liberals make similar accusations. It is the old story of one party accusing the other. This matter, however, is much bigger than that. It means more than the letting of a contract for a thousand dollars down in Halifax or at some other point. The matter is of the utmost importance, and I hope the minister will justify to a greater extent than he has done this afternoon the guaranteeing of the expenditure of $15,000,000 for equipment. There is no doubt at all that the Canadian Pacific Railway needs it, and needs it badly, and will need further expenditures for the maintenance of way, but why should the public be called upon to subsidize a private profit-seeking concern? Surely there are better ways than the one now proposed of spending money to give employment. I protest against it.

Mr. GRAY: Before we are called upon to proceed with the bill based upon the resolution, would the minister be good enough to table the correspondence passing between the government and the two railway companies in connection with the guarantee for equipment, and the type of equipment covered?

Mr. MANION: If there is any correspondence I shall be pleased to table it, but so far as my memory goes—and I speak subject to correction—there has been no correspondence. I shall have it looked up, and if any is found I shall table it.

Mr. GRAY: I ask the question because if I understood the minister correctly this afternoon he said that the Canadian National had made requests, stipulating certain conditions which appeared to them most advantageous, namely that the government supply one-third of the funds as a grant, the railways paying the remaining two-thirds. In other words, in view of the exceptionally advantageous bargain they would proceed with the work. The minister certainly left the impression with the house, as I gathered it, that this had come as a voluntary request from the management of the road. In view of the statements which have been made concerning equipment it seems to me there must have been some prior correspondence or discussion between the government and the railway companies.

Mr. MANION: My hon. friend interpreted my words quite correctly; I did say that the Canadian National had stated that if we would pay one-third of the cost of the equipment and charge them with the other two-thirds, they would consider it a good economic investment. They believed they could use the equipment very advantageously. This was a verbal statement and I do not believe there has been any correspondence. The whole situation has been canvassed verbally for a period of about six months or more. Since the opening of the session the hon. member for South Perth (Mr. Sanderson) has asked a number of questions about this equipment. Statements have appeared in the press, where from I do not know, but I sometimes imagine they came from the equipment companies. The fact is that for a period of about six months the equipment companies, the railways and the government have discussed this matter on various occasions.

Mr. EULER: Who took the initiative?

Mr. MANION: If I remember correctly—I am trying to be as frank as I can—it was the equipment companies, although I am not sure. These companies had not had any work for four years except a small order obtained by the Eastern Car Company about two years ago for gondola cars. I rather think it was

the equipment companies that started it. In spite of what the hon. member for Bow River (Mr. Garland) has said, both companies had deferred the maintenance not only to tracks but of equipment. Contrary to the statement of my hon. friend, which I know was made in good faith, this is undoubtedly true. It has been claimed that the Canadian National has deferred to a greater extent than the Canadian Pacific, but both my deputy and myself have made inquiries and the officers of the Canadian National claim that they have not deferred to any greater extent than the Canadian Pacific. However, if I remember correctly, the Canadian National officers do not claim that they have kept up their equipment or track any better than the Canadian Pacific. I think it is quite obvious to all hon. members of the committee that due to the financial pressure of the depression all the railroads on this continent have deferred maintenance of all kinds.

The railway equipment companies discussed this matter with the railways, but I do not know who was the original promoter of the idea. Some months ago I discussed with Mr. Fullerton the question of the trustees' desire for equipment, and Mr. Fullerton was quite clear in his statement that if we would pay one-third of the cost, they would gladly take it because they figure it would be a good investment. The matter remained at this stage until quite recently, although in the meantime one of the principal officers of one of the equipment companies told me that a scheme similar to the one proposed here would prove acceptable to both the railway companies. I have no quarrel with the reference which has been made to the definite statement made the other day in the committee. Mr. Hungerford did not say that they have sufficient equipment at peaks; he said that at the peaks they borrow the needed equipment. One of the railways has stated that this borrowing of equipment costs the railways more than the scheme here proposed. This matter was discussed by the government and it was decided that the best we could do for the companies was to pay the interest for two years and to arrange to guarantee the equipment trust notes on a three and a half per cent basis, which would lower their interest charges. I made inquiry and I find that the Canadian National and the Canadian Pacific have been paying four and a half to four and three-quarters per cent interest on their equipment trust notes and they estimate they would still have to pay this rate if the notes were not guaranteed by the government. We think we could save them at least one per cent or perhaps a little more, and we would carry the interest for two years. I assure the hon. member for Bow River that there is no chicanery in this matter, and there is no intention of forcing the Canadian National or the Canadian Pacific to take this equipment. The real reason for the whole proposition is that we have concluded that, in contrast to the manufacturers of consumption goods, the capital industries, such as the equipment companies, the steel companies and heavy industry in general, would be given a fillip towards better business. The country generally would be assisted and employment would be increased and everybody would be—

Mr. POWER: Happy.

Mr. MANION: Happy, if you like—given benefits if this proposal were carried through. I repeat that if either the Canadian National or the Canadian Pacific desire not to have this equipment there is no intention of going on with it.

Mr. GRAY: Has the Canadian Pacific accepted this proposal?

Mr. MANION: No, the Canadian Pacific has not accepted the proposal.

Mr. GRAY: We can take it that the Canadian National has not accepted the proposal, that the Canadian Pacific has not accepted the proposal, but that the government at the request of the equipment manufacturers have taken the initiative wholly upon their own shoulders to introduce not only a resolution but a bill to be founded upon the resolution.

Mr. MANION: Oh, no; we are not doing it wholly on the suggestion of the equipment companies. As I said a moment ago, we are doing it on the suggestion of the railway companies and the equipment companies after the matter had been discussed for many months. So far as I am concerned I think it is a splendid idea, and I say that without a reservation of any kind whatsoever. I think it is one of the best ways of providing employment in this country. Over a period of two years we will be giving in interest a total of $1,050,000 and in return we will have work done in the shops and the equipment plants to the value of $15,000,000. I think that is even cheaper than relief so far as this government is concerned.

Mr. EULER: You are adding to the capital debt of the Canadian National.

Mr. MANION: They can stand a little more. They have so much now a little more will not matter.

Mr. GRAY: The minister will bring down any correspondence there may be?

Mr. MANION: Gladly, if there is any.

Mr. GARLAND (Bow River): I would not like that statement of the minister to remain just as it is. Of course, generally speaking, it may be correct to say that for an expenditure in interest of $1,050,000 we are going to get $15,000,000 worth of work but we must not forget the $8,000,000 for the Canadian National. This afternoon the minister stated that in all probability the government would have to carry this amount, so we will really be paying $9,050,000 for $15,000,000 worth of work.

Mr. MANION: May I reply to that? It is quite true that if financial and business conditions do not improve within the period of fifteen years, the government will have to carry this amount for the people of Canada. However, the fact remains that we would receive immediately $15,000,000 worth of work for an expenditure of $1,050,000. The claim is also made by better authorities than I—I am not an authority on railway matters—that both railways would save more by the use of the new equipment than they would ordinarily have to pay out during fifteen years to cover expenses of renting and so forth. I imagine most hon. members have seen the statement in the Ottawa Journal of to-day. This was a statement by Mr. Hungerford and I should like to quote two paragraphs, as follows:

> In addition to normal retirements for 1934 amounting to $4,343,749, the company will charge to profit and loss a total of $23,238,857. This represents equipment rendered obsolete for a number of reasons. . . .
>
> He informed the board that as at January 1, 1935, the "all-wooden car" is now regarded so obsolete that it is refused interchange privileges with other railways. Next year this prohibition will be extended to the wooden car with "metal arms."

The point was made—the hon. member for Bow River made it—that Mr. Hungerford's opinion was that the companies in peak times can borrow equipment when they have not got it. But they cannot lend obsolete equipment. I am informed that wooden cars cannot enter the United States at all; they will not permit an interchange, to allow wooden cars to move on American tracks. The result is—I speak subject to correction—that there are tens of thousands of wooden cars which are obsolete and are not permitted to go into the United States. The interstate commerce commission will not allow it, because, as every hon. member realizes, a wooden car in the midst of a steel train makes for dangerous conditions.

[Mr. Manion.]

Mr. EULER: With reduced traffic they do not need so many cars.

Mr. MANION: Yes, but we all hope that the traffic will pick up. It picked up last year on the Canadian National to the extent of nearly $20,000,000.

Mr. EULER: Let us get them when they are needed.

Mr. MANION: They are not bound to get them if they do not need them; there is nothing in this to force anything on the Canadian National Railways. I have given my hon. friend that assurance not once but a dozen times. If they think it is not a good investment they will not get them.

Mr. GARLAND (Bow River): I know that the minister does not mean to be unfair, but it is hardly fair to talk about obsolescence and to quote Mr. Hungerford's statement, because I am satisfied that he himself is quite aware of the fact that almost the entire present equipment of our railways is obsolete or obsolescent. Even the present type of train is becoming obsolete, and if we are to keep up with the Joneses in the transportation game, then within less than ten years there will be an entire revolution in train construction, and all this new equipment which the minister speaks about will be obsolete before that time. As a matter of fact, the height of wisdom to-day would suggest the most niggardly expenditure on equipment because of the rapidity with which all equipment is becoming obsolete. That however was not the point I wanted to discuss. What I wanted to discuss was the question of the relative expenditure on maintenance and equipment of the two lines. It is correct, as the minister has said, that both companies reduced when the depression came and the necessity for expenditure on equipment maintenance fell off. But the Canadian National Railways did not reduce its ratio to the same extent as the Canadian Pacific Railway.

Mr. MANION: Whom is the hon. gentleman quoting?

Mr. GARLAND (Bow River): I am speaking from figures I have had analyzed myself. Had the Canadian National Railways reduced expenditures to the same extent that the Canadian Pacific Railway did, in the same period from 1930 to 1933, the Canadian National Railways would have made a saving of $45,000,000. The minister cannot get over the statement made by Mr. Hungerford, which I take to be correct, that there is no need for this equipment at this time, that he has surplus equipment for all normal

requirements, and that in times of peak requirements he anticipates no difficulty whatever in meeting the situation in the customary way in which all railway lines on this continent meet peak requirements. I am still at a loss to understand this item.

Mr. PRICE: Some of my good friends opposite have been talking for months and I want the privilege of saying a word or two in connection with the Canadian National Railways and their attitude, including the hon. member for Bow River (Mr. Garland) whose figures are not always borne out by the facts. I would say a few words with regard to rates quoted by him between Portland and Saint John concerning western points, and in this connection I say that the Canadian National Railways should have the support of the people of Canada generally at the present time. What is the government doing to-day? The government is trying to relieve the unemployment situation and we find gentlemen on the opposite side doing—what? I say this to hon. gentlemen: You are criticizing every government expenditure, everything the government is doing to relieve the depression. That is what you are doing; that is your game. I had an interruption this afternoon from the hon. member for Perth—

Mr. SANDERSON: No; I had the interruption from you. You got your wires crossed.

Mr. PRICE: It was very pretty and I appreciate the hon. gentleman's beautiful remarks. But I say to him: If you have done as much for your constituency as it will be found in the course of a few months that I have done for mine, I do not think anyone will suggest that you have been found sleeping. Where does your record lie anyway in connection with Canadian National Railways? In 1923 Sir Henry Thornton was brought to this country, and what did he do to the eastern provinces? What did he have to say? Why, he removed an audit office with upwards of 200 employees—there were over 123 families—to the city of Montreal, as a first solution, and it was he who was responsible for patronizing Portland as an outport for our Canadian products instead of Saint John and Halifax. I say to hon. gentlemen opposite: Where do you fit in with the Canadian people at the present time? You are criticizing, and you are suggesting that the Conservative party of Canada is supporting amalgamation of the Canadian National and the Canadian Pacific—an old bogy, possibly motheaten now by some of the members on the opposition side. But let me say this to the ex-Minister of Justice. He came into my constituency in 1930 and I invite him to come again and see what he can prove to the people.

Mr. LAPOINTE: Don't ask me too many times.

Mr. PRICE: What a wonderful exhibition he will make of himself. I say to my hon. friends opposite that the Canadian people are averse to the lackadaisical program which the Liberal party are trying to bring forward and to press upon the country. Where are you getting with it? We have in Canada to-day a Prime Minister who is carrying out certain policies which you failed to carry out. What did you do in the nine years you were in power, from 1921 to 1930? You did absolutely nothing; you preached policies, your leader preached policies and put them in a book, but did you put them into practice? Where did they get you, and where are you getting to-day by holding up the business of the country?

I have listened with a great deal of disgust to the discussion in the last few months and the criticism of this administration. I come from a constituency in New Brunswick of which I am very proud. It includes Moncton, which employs probably as many railway men as are employed in the constituency of my hon. friend from South Perth or whatever Perth it is—I do not know and it matters not. But he knows the whole thing, and if I knew as much about some things as my hon. friend knows about everything, I would not be very wise.

Let me suggest to my good friends from Quebec, from St. Malo, from Rivière du Loup and other places in Quebec, from New Brunswick and Nova Scotia, that the program which is outlined by this administration means much to the people of Canada as a whole. I believe some of you realize the present situation; I believe you know this administration is formulating a policy to relieve the unemployment situation in Canada; but what do you do? What is your policy? Your policy is to knock everything this administration brings up in the way of a relief program, something that would unravel the whole present trouble. That is your policy, your only policy. Your policies are productive of nothing. You had nine years in which to prove to this country that you had some policy; that you had something that was really beneficial to the dominion. But you fell down and you were batted out of the box; you fell short and that is where you stand to-day. What a wonderful combina-

tion standing up against a prime minister who has displayed brains, tact, intelligence, financial genius, a man who has done for this country financial things that neither you nor your leader could do. You fell down; you are not standing up, and you will not be able to stand up in the next election with any degree of success simply because the Canadian people have no confidence in the propaganda that you are trying to put over an intelligent public.

Mr. SANDERSON: I want to ask the Minister of Railways a question in order to clarify the situation in regard to the expenditure of this $15,000,000. I take it from his remarks this afternoon that $8,000,000 is to go to the Canadian National and $7,000,000 to the Canadian Pacific. Can he tell the committee approximately—I do not suppose he can do so accurately—the number of employees in both the Canadian National and the Canadian Pacific shops, and how much this $3,000,000 that goes to the two railways, leaving a balance of $12,000,000, will relieve the situation of the employees of those railways? I take it from his remarks this afternoon that only $3,000,000 out of the $15,000,000 is to go for possible repairs in the different railway shops. I submit to the minister in all seriousness that that is only a bagatelle so far as relieving the situation that exists among the employees of both railways is concerned.

Mr. MANION: I am informed that it will give some increase in the number of days per month—

Mr. SANDERSON: How many?

Mr. MANION: I do not know the exact number, but it will give an increase of a number of days per month to the employees in the shops of both railways. So far as the amount of $3,000,000 for repairs is concerned, my understanding is that that amount or even $2,500,000 is all that the railways could use for repairs. May I add just one other sentence? This is not legislation to force money on the railway companies; it is enabling legislation for the government, and if either the Canadian National or the Canadian Pacific do not accept, nothing need be done at all.

Mr. SANDERSON: The minister I presume goes on the assumption that in the shops of both the Canadian National and the Canadian Pacific they have neither the facilities nor the equipment to build cars or locomotives. If so, I take issue with him.

[Mr. Price.]

Mr. MANION: I did not say that. I did not say that they could not build either locomotives or cars in those shops, but without doubt in many, in fact in most of the shops a large amount of capital investment in machinery would be required to carry on those jobs. I said earlier in my remarks that so far as my understanding goes, both railways have in the years that are gone encouraged the coming to Canada of the equipment manufacturing industry and they consider it as not fair to drive that industry completely to the wall as it has been pretty nearly driven in the past four or five years without any work whatever, and to start a new branch of industry in the shops of the two railways. I know my hon. friend will point out to me that a certain amount of equipment building has gone on in some of those shops, and I admit that, but it is relatively a very small amount. When the railways require equipment they go to the car or locomotive manufacturers, and only a very small part of the work is done in their own shops.

Mr. SANDERSON: Does the minister think $3,000,000 out of the $15,000,000 is a fair proportion to allot to the car shops of the two roads, having regard to the employment situation among the railway employees? Surely he will agree with me that that is a very small proportion of the $15,000,000.

Mr. MANION: It is all that the railways tell me they could use for repairs. That is the reason that sum was thought of. It is not exactly being allotted in that way; the amount may be changed. But that was what they thought they could use in repairs, leaving the manufacturing to the equipment manufacturers.

Mr. SANDERSON: How many railroad shops are there in Canada?

Mr. MANION: I am sorry I connot give that information. There is a large number.

Mr. POWER: How many Canadian National shops ?

Mr. MANION: I cannot say offhand.

Mr. RYERSON: This very legislation will help not only the car shops but other equipment companies that furnish such things as malleable castings. We have in Brantford a firm that employs between 400 and 500 hands working altogether on heavy equipment for car companies, and I know this legislation will greatly please them and will put to work men who have been laid off for a considerable time.

Mr. MANION: Lumber and steel are involved.

Mr. McINTOSH: Before the resolution under discussion is accepted, I desire to make a few remarks. My observations will be not from a national or comprehensive railway point of view, but rather from two points of view concerning the North Battleford electoral area. So far as the resolution is concerned, in my opinion it is very important that I make these remarks at the present time. The foundation for what I want to say will be found simply in the need, first, for branch line accommodation for northwestern Saskatchewan; and, second, for the construction of a bridge at a point called Ceepee over the north Saskatchewan river between North Battleford and Saskatoon. The more important project I believe—although the two are important—is the much needed branch line facilities for the upper end of northern Saskatchewan. I believe that if anything has been messed and botched in the last five years this branch line construction has been. I am not putting the blame on the Minister of Railways or the railway department, but I say that the providing of these branch line facilities in that part of the province has been about as badly botched and bedeviled as anything in the history of railroading in Canada.

The resolution is a double barrelled one; one part of it deals with public works and the other part with a railway project. I am not going into the resolution in a minute way, but a resolution of this kind piloted through the house by two ministers of the crown is almost unique; we do not often see it. I hope that the cooperation and consultation and amalgamation which we have seen this afternoon between two ministers in regard to this resolution will also be shown in dealing with the two questions that I have to bring before the committee.

The first part with which I am concerned is the bridge crossing the North Saskatchewan river. The Minister of Public Works will remember that I put a question to him on the orders of the day on February 14. I asked if he could tell the house and the country whether this important project will be included in any government public works program for this year. The minister was reticent. He answered that I would have to await legislation that may be brought down. The main estimates did not contain anything regarding it. Later, on March 12, I put another question to the Minister of Public Works. My question at that time was whether he could give the parliament and the country any information as to whether or not this project would be undertaken, and he told me again that I would have to await legislation, that a bill would come later, and perhaps some information would be found in that bill. Now the bill is about to be brought down, and I would ask the Minister of Railways if he can give me any definite information as to whether this project will be included in that bill. Last year he brought down a public works program involving $40,000,000, and the only money spent in Saskatchewan under that program was spent in two ridings represented in the house by two Conservatives. Can the minister give me any information on the question I have asked?

Mr. STEWART (Leeds): I have been hoping for the last hour that I might be able to give to every hon. member of the house information as to every item in the schedule. I suggest to my hon. friend that it is not usual or proper to disclose item by item what is in the schedule of a bill to be introduced. I know that the Minister of Finance is anxious to get a pressing item of business through, and if we cannot make progress I think I shall have to move the committee up and ask leave to sit again. But I should like to get the bill in to-night, and then my hon. friend will have the information he is now seeking.

Mr. McINTOSH: If the minister is bound to introduce the bill to-night I can conclude my remarks later.

Mr. STEWART (Leeds): I should like to.

Mr. POULIOT: Before the committee rises, I regret very much that the statement has been made that some private firms besides the railway companies will benefit under this legislation. The work for the railways should be done first by the railways themselves. For instance at Rivière du Loup there are fine shops, but very few men are working there because not sufficient repairs are done by the railways themselves. This resolution relates to the guarantee of securities of both railway companies, the Canadian National and the Canadian Pacific. With regard to the Canadian National, very often we have heard the government complain of the burden of the railway debt of this country and liabilities incurred on account of guarantees of railway securities. Very often we have heard the Prime Minister speak about that. I am suspicious about this resolution because it is neither in the name of the Minister of Railways nor in the name of the Minister of Public Works; it is in the name of the Prime Minister himself. Sir, there is a reason why I object to the terms of this resolution; it is that the Canadian Pacific

Railway comes into the picture. How can we get information about what is done with that money? It will be impossible. I remember very well when the Canadian National-Canadian Pacific bill came before the house a year ago one of the reasons given by the Minister of Railways for submitting the bill to the committee of the whole was the expense of paying witnesses if called before the select standing committee on railways and shipping. I put a question concerning that on the order paper, and it was struck out by Mr. Speaker as being out of order. Then I wrote to the Minister of Railways asking him for information, and he said he could not give it to me, that I should direct my question to someone in the senate. Then I wrote to the government leader in the senate and he suggested that I have an address voted by the house to get information about the cost of witnesses heard by the railway committee of the senate. Finally a senator was kind enough to ask the question for me in the senate, and the answer was that the cost of witnesses heard by the senate railway committee in regard to that legislation was nil.

If the Canadian Pacific Railway Company gets some guarantee from this government and it is impossible for us to trace it back and get any information about it from that company, I do not see why this country should guarantee any more loans to them. The Canadian Pacific Railway Company is a very strange organization. They come here and beg, and the money they got from us under former guarantees or otherwise we cannot learn anything about. What we receive is the annual statement of the Canadian Pacific Railway Company. We see these people in the corridor, they come here begging, and afterwards it is impossible to get information. Not only that, but while the country is subsidizing the Canadian Pacific Railway Company we get lectures from Mr. Beatty, their president, from coast to coast. Every member of the House of Commons should have the opportunity of asking questions of Mr. Beatty the same as questions are asked of Mr. Hungerford. These people give us lectures all the time, but it is impossible to get information we want. It is time for a change. This, sir, is a humble suggestion that I have to offer to the Minister of Railways in order that he might submit officials of the Canadian Pacific Railway to examination as is done in the case of the Canadian National.

Resolution reported, read the second time and concurred in. Mr. Stewart (Leeds) thereupon moved for leave to introduce Bill No. 63, to create employment by public works and undertakings throughout Canada and to authorize the guarantee of certain railway equipment securities.

Motion agreed to and bill read the first time.

CANADIAN FARM LOAN ACT

CONSIDERATION OF SENATE AMENDMENTS

The house resumed consideration of the amendments made by the Senate to Bill No. 15—Mr. Rhodes to amend the Canadian Farm Loan Act.

Mr. SPEAKER: Is the house ready for the question? Mr. Rhodes moves:

That all the amendments proposed by the senate to Bill No. 15, an act to amend the Canadian Farm Loan Act, be concurred in with the exception of amendments Nos. 13 and 14, in which amendments this house does not concur for the following reason:

That farm property being at the present time at its lowest value, a total advance of sixty-six and two-thirds per cent of the appraised value of a farm would secure a much smaller loan than would have been secured at fifty per cent valuation a few years ago.

Mr. LAPOINTE: Are all the amendments printed?

Mr. RHODES: Yes, I explained to the house on Friday that they are to be found in the votes and proceedings of April 11. They are also to be found in the reprinted bill which has been circulated.

Mr. CASGRAIN: It is an entirely new bill.

Mr. STEWART (Edmonton): I assume this will be a matter of conference with the senate. One other question before the minister replies. Is it the intention only to protest against the two amendments which the minister mentioned on a former occasion?

Mr. RHODES: Of course, Mr. Speaker, we are not in committee, but so long as no objection is taken I have no objection in answering. My motion is that we concur in all the amendments made by the senate except the amendment which provides for a lowering rather than an increasing of the appraised value of the land.

Mr. SPEAKER: Is the house ready for the question?

Mr. GARLAND (Bow River): May I ask whether if this motion carries we go into committee on these senate amendments for explanation?

Mr. RHODES: No.

Mr. GARLAND (Bow River): With all due respect to the minister, he is not fair with the house. These things are too important. The minister comes in with an

omnibus motion rejecting two of the senate amendments and accepting all the rest. I take grave exception to some of the amendments, and it seems to me that the minister is not justified in the course he is taking. I am opposed to the adoption of this motion.

Mr. RHODES: It is just too bad if the hon. member is opposed to the amendments. That would be a great pity, although of course he is quite entitled to his opinion. But I do take exception to his statement that the minister is not fair to the house. The minister is simply following the accepted procedure which has been followed in this house for the past fifty or sixty years.

Mr. GARLAND (Bow River): The procedure is very wrong then.

Mr. RHODES: My hon. friend is sometimes wrong. Nevertheless it is the procedure laid down by this house.

Mr. GARLAND (Bow River): Then I withdraw my previous remark and I say that the procedure is unfair to the house, most unfair. We should have an opportunity of fully considering each of these amendments before we are asked to vote on them, because some of them are extremely important.

Mr. LAPOINTE: Mr. Speaker, I was just going to make the same remark as my hon. friend did, but not perhaps in quite the same way. Usually there comes back from the senate to this house a bill with a slight amendment or two, and it is easy to accept or reject the amendment without this house going very deeply into the matter, but when a bill comes back so amended that it is practically a new piece of legislation, containing many important amendments, I do not think it is quite a good procedure merely to move the adoption of the amendments less two of them, without going into details as to the many changes made in the bill by the other house. I know that that is the usual procedure, and the minister is quite right in making that statement, but with regard to an important piece of legislation such as this, containing so many amendments, I think it is only fair to the house that each amendment should be considered separately.

Mr. RHODES: The house, of course, is the arbiter of its own procedure, and my hon. friend would be the first to admit that. I would not take exception to an alteration of the procedure if an alteration was deemed desirable, but I was confronted with this situation, that unless this bill is passed before the adjournment it will be a matter of at least five or six weeks before it can become law, and in the meantime we shall have deprived three provinces of an opportunity to secure mortgage money at all. I thought it would be the part of wisdom to concur in the amendments as a whole with the exceptions of the ones I have noted, even though there might be others to which one might take exception, although as I indicated when I moved my motion in the first instance, while the amendments are numerous, most of them are of a minor character. There are two perhaps of a major character. One of them I think is undoubtedly designed to strengthen the bill. The one I have particularly in mind is the one to which I think my hon. friend from Bow River objects. He apparently assumed that the provision which tended to give the crown in the right of the dominion priority as against provincial enactments which would tend to detract from the security was a provision against the interests of the borrower. On the contrary, that provision was inserted in the bill in order to ensure that the crown in the right of the dominion could make its loans with safety in the province, and therefore could lend more freely. It would be a protection to the borrower, because if there was any danger of the security of the crown in the right of the dominion being impaired by provincial legislation you would find the dominion quite properly tightening up; it would not make loans, and the borrower, or intended borrower, would be the one who would suffer.

Coming back to the point I intended to make originally, may I say that the senate spent a long time in the consideration of this bill; whether or not they pursued their time profitably is a matter of opinion. I do not take exception to the time they took. The fact of the matter is that after giving the bill careful consideration they made a number of amendments. If we were now to insist upon the measure as we sent it from this chamber, and were to refuse to concur in certain amendments made by the senate, we would run the grave risk of not having the bill passed before the adjournment. My view is that it would be much better for us to accept the amendments which, in the main, are of a minor character and not fatal to the measure. I pointed out one that I thought was quite important, and another upon which there may be divided opinion, namely as to whether or not the amount to be lent to an individual farmer should be made greater than it was in the bill as it left this chamber. I felt that inasmuch as the amendments to which we have taken exception were two major amendments we might effect a compromise by accepting all of them with the exception of the ones to which I took objection. We had hoped the

senate would concur and in that way have the measure pass this house to-morrow. That is the manner in which I had approached it. Had it been open to us to take ample time I should have had no objection to the bill being referred to committee of the whole, although under our procedure that is not possible except by unanimous consent.

Mr. STEWART (Edmonton): While in some respects I agree with what the Minister of Finance has said respecting the amendments, because I have gone over them carefully, I hardly agree—

Mr. SPEAKER: May I interrupt the hon. member? I think we might as well decide before the discussion is allowed to continue whether we are to proceed in the ordinary way as laid down by the rules of the house. There is a motion before the house upon which hon. members have the right to speak once—it should be well understood that we are not in committee. If it is the wish of the house to proceed in some other manner, hon. members need only intimate what they consider desirable in that regard and I shall endeavour to carry out their wishes. As it stands at the present time, however, I shall have to ask that we proceed in the ordinary manner.

Mr. STEWART (Edmonton): I was going to ask whether my question of the Minister of Finance deprived me of the right to speak.

Mr. SPEAKER: I would say, no. I think it was quite well understood that the right of the hon. member to speak was not thereby exhausted.

Mr. STEWART (Edmonton): I am quite content to take my seat, if I am not in order, but what I was proceeding to say was that I am not very greatly concerned with the amendments submitted by the senate to the bill. In some respects however I may not agree with the minister. I do believe that the proposed amendment would make lending more difficult than was anticipated in the bill which passed this chamber and went to the senate. It is true they have provided in one respect that the mortgage having prior rights over any enactment by the legislature will prevail. I am not going to say whether or not that is wise. I do know that legislation passed by some of the western provinces has been held up as indicating how the securing of money on a mortgage or by borrowing is more difficult. But the general interference with the bill as sent to the senate to my mind makes some of the main clauses very doubtful. I fear that when we come to providing regulations for the lending of money we will find a great many difficulties which were not contemplated in the measure as it passed this chamber. I was hoping the minister might take exception to one or two further clauses, but I shall not go into that matter. He has decided that upon two only shall he ask for a conference and ascertain whether or not the difficulties can be straightened out. I too agree that it is necessary to secure passage of the bill by the house in order that the machinery may be set in order for the purpose of lending. That must be done if it is to be of any value in the present year, and for that reason I shall offer no further objections.

Mr. REID: I was going to suggest to the minister that perhaps the eleven o'clock rule could be extended. Undoubtedly there are other amendments of importance which should be considered. This legislation is practically new. There is the amendment to section 6, and the consideration of the words "provided that in arriving at such actual value, the value of the buildings shall be considered only to the extent to which the same add to the actual value" and so on. In British Columbia this will affect those who have buildings for their chickens. Then there is the clause under which the board may take certain action if a man sells his place. In view of the fact that this is practically a new bill I would ask that we be given further time for consideration. It is unfair to ask us to pass it now.

Mr. RHODES: I would say it is not altogether fair to ministers who for months have been in their offices from early morning until late in the evening. However I shall not insist upon my personal views, if the house desires to proceed a little longer.

Mr. RALSTON: In view of the special circumstances I do suggest that we adopt a special procedure for this bill. As I understand it, in the ordinary course of events the minister moves the adoption of senate amendments. On this particular occasion he would necessarily have to make an extended explanation of all the sections. In order to facilitate discussion would it not be possible for the minister, with the unanimous consent of the house, to withdraw his motion, move the house into committee of the whole to consider the Senate amendments, and take the matter up as the first order of business for to-morrow?

Mr. RHODES: If it is the wish of the house to give unanimous consent I am content that we go into committee, but I would point out to my hon. friend that we are running this

danger: the ministry must assume the responsibility for motions made with respect to Senate amendments to a government bill. If the hon. member is suggesting for one moment that by going into committee we can pick and choose with respect to these amendments, and deal with them as though we were dealing with a bill of our own, ab initio, I think he will agree he has a mistaken viewpoint. That cannot be done, because the government must accept responsibility for any motions it may make with respect to amendments of its own bills. I am not standing upon the order of my going, speaking as a member of the government, but I do say that that is the fact so far as procedure is concerned. If in the meantime it is thought wise by unanimous consent to-morrow to go into committee, I shall be quite content.

Mr. RALSTON: May I be permitted to say a word? My reason for making the suggestion was not necessarily that we should differ from the senate amendments, or that the ministry might be relieved of the responsibility which the minister has expressed, but in order to afford to hon. members an opportunity to inform themselves as to the amendments they are passing. At least we would preserve our self-respect and not appear to be acting simply as rubber stamps without having read the amendments.

Mr. RHODES: My hon. friend will bear in mind that these amendments have been printed and available to hon. members since last Friday. The bill was held over so that hon. members might have an opportunity to study the amendments. However, it is now eleven o'clock. To-morrow we will bring this up as the first order of business, I take it, and if it is thought wise by unanimous consent to go into committee of the whole, I shall be quite content.

Sir GEORGE PERLEY: So far as I am concerned I do not think we ought to alter the method by which we have dealt with senate amendments. Any proposed change of the rules of procedure in that regard is something we ought to debate at length and deal with very carefully. It seems to me that hon. members should be satisfied with the senate amendments. The Minister of Finance has gone into them carefully and made up his mind that with only two exceptions there is every reason why we should concur. The object we have in mind is to try to have the bill become law before adjournment in order that it may come into force.

Mr. LAPOINTE: Will the bill be ready for distribution?

Sir GEORGE PERLEY: It will be ready for distribution.

On motion of Mr. Cahan the debate was adjourned.

At eleven o'clock the house adjourned without question put, pursuant to standing order.

Tuesday, April 16, 1935

The house met at three o'clock.

HOUSING POLICY

FINAL REPORT OF SPECIAL COMMITTEE ON INAUGURATION OF NATIONAL POLICY OF HOUSE BUILDING

Mr. A. D. GANONG (Charlotte): I beg to submit, Mr. Speaker, the third and final report of the special committee appointed to inquire into housing. As the report is rather lengthy, perhaps the house will dispense with the reading of it inasmuch as it will be printed in votes and proceedings.

Mr. SPEAKER: It has been suggested by the hon. member who has presented the report of the special committee on housing that it be not read at the present time in view of the fact that it will appear in votes and proceedings. Is that satisfactory to the house?

Some hon. MEMBERS: Yes.

The following is a résumé submitted by the committee of the points emphasized by the evidence.

1. The term "housing" should be considered to include construction, reconstruction, repairs (rehabilitation), demolition of houses and slum clearance.

2. Housing is primarily the direct responsibility of the individual cooperating with the local authority.

3. A national emergency will soon develop unless the building of dwellings be greatly increased.

4. The formulation, institution and pursuit of a policy of adequate housing should be accepted as a social responsibility.

5. There is no apparent prospect of the low rental housing need being met through unaided private enterprise, building for profit.

6. The magnitude of the task involved in any program designed to eliminate in its entirety the housing problem in Canada is fully realized and appreciated; that such a program would involve intensive, continuous application and effort over a period of years is manifest; but that the initiation of such is imperative is obvious from even the necessarily limited inquiry into prevailing housing conditions in which it has been your committee's privilege to engage.

7. The accurate determination of the number of houses required to meet the needs of the

people, annual and accumulative, and to overtake existing shortage, must necessarily be the subject of intensive direct and statistical investigation. At least the provision of dwelling units to the number of 25,000 should be initiated immediately throughout Canada.

8. Selective tenancy of government aided housing should be based on total family income and ability to pay economic rent.

9. The acuteness of the housing problem lessens to the degree that the wage scales of low wage earners is improved.

10. Provision should be made for long term mortgages, in view of the long term amortization generally associated with housing.

11. A major item in the financing of housing is interest charges. There is, therefore, a close and vital relationship between interest charges and economic rents.

12. That the principle and institution of mortgage banks, as established in other countries, be investigated with a view to their effect upon the lowering of housing costs.

13. That slum areas have been shown to cast very heavy expenses on many branches of public administration such as health, welfare, fire prevention, administration of justice, etc., may justify public assistance, which is likely to prove as sound financially as it is certainly desirable socially.

14. Against public liabilities may be set certain very real, if in some cases, immeasurable, assets. Good housing means less expenditure on prevention of disease, less crime, greater benefits for education, less unemployability as opposed to unemployment. The elimination of bad conditions has a cash value as well as a moral value to the nation. Further, there are wider economic aspects to consider. Bold and constructive housing projects will increase employment both directly and indirectly through the activity generated. To mitigate any liabilities on the national finance the cost of unemployment would be directly reduced, tangible and needed assets will be created, the yield of sales and income taxes will be increased by the profits of those in building and industry as well as those who benefit from the increased spending power of wage earners employed through the undertaking.

15. Reference made in this report to the low monthly rental possible of payment by low wage earners should not be accepted in any way as indicative of the setting of any wage scale. Government assisted housing should not be taken advantage of to reduce the standard of living.

16. That the initiation of a policy of new construction and particularly of repairs (rehabilitation) will appreciably stimulate private owners to do likewise. will also proportionately release for demolition slum buildings presently retained for want of other accommodation.

17. The construction industry lends itself most effectively to the alleviation of unemployment and consequently to a reduction of those relief charges now being borne by federal, provincial and municipal taxpayers.

The recommendations of the committee are as follows:

1. That a housing authority be established with power to initiate, direct, approve and control projects and policies, and to allocate such moneys, as in the opinion of parliament, may be necessary for the purpose of assisting a program of urban and rural housing.

[The Speaker.]

2. That said authority be authorized to negotiate agreements with any province, municipality, society, corporation or individual with a view to promoting construction, reconstruction and repair of such dwellings as may be necessary, and the extension of financial assistance at such favourable rates of interest, periods of amortization and other terms, as shall encourage housing.

3. That as its first consideration the said authority be urged to take action in respect to repairs (rehabilitation), presently needed.

4. That such national housing policy be so framed, with respect to provision for employment, as to endeavour to correlate and coordinate the efforts of provincial, municipal and other public authorities, and private agencies in relation thereto.

CLARENCE McGREGOR ROBERTS

Mr. W. G. ERNST (Queens-Lunenburg): I move that Bill No. 43, letter M of the Senate, an act for the relief of Clarence McGregor Roberts, the preamble of which was reported as not proven by the select standing committee on miscellaneous private bills on March 28, 1935, be placed on the order paper for consideration in committee of the whole this day, the 16th day of April, 1935.

Motion agreed to on division.

PRIVILEGE—MR. MACKENZIE KING

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): I wish to say a word on a matter that affects the privileges of the house. On different occasions I have noticed that some hon. members, whether intentionally or otherwise, take advantage of the opportunities of freedom of speech in the house to reflect in an immediate and direct way on the integrity and character of gentlemen who are not in parliament to speak for themselves. I think it goes much beyond the intention of the rules of the house respecting freedom of speech that any such latitude should be permitted. Yesterday my hon. friend the Minister of Railways (Mr. Manion), in reference to a matter affecting his department, and referred to in one of the newspapers of this country, used the following expression:

> The statement made in the Winnipeg Free Press is false in every word and line and merely illustrates the general perverted attitude of the editor of that paper. I am not referring to the representatives of that paper located in Ottawa, but when the editor of the Winnipeg Free Press writes upon political matters he never tells the truth if a falsehood will serve.

May I say at once that I feel sure my hon. friend, when he used these words, was speaking figuratively. I think he was making use of that figure of speech known as hyperbole

which should not be indulged in too frequently or readily. I do not wish to have my remarks construed as intended to be directed primarily at my hon. friend, but I should like to say that Mr. Dafoe, the editor of the Winnipeg Free Press, is one of the most respected and honoured of journalists in our country. His reputation requires no defence in this parliament or indeed in any part of the British empire. It is, I think, unfortunate that a reference of this kind should be permitted to be on the records of parliament without some mention being made of it and some refutation of it. I hope my hon. friend will find it possible to say that the language is intended in a figurative and not in a literal sense. I desire to affirm that the rule respecting freedom of speech is based upon the control which the house has over its own members in the matter of their utterances. It is not intended to afford unbridled licence to speakers in referring to the character of individuals who are not in a position to answer for themselves on the floor of parliament. I say this without special reference, as I have already said, to hon. members opposite. At times I have noticed the same unfortunate occurrence on this side of the house, and I may even quite unconsciously have been an offender myself; I hope however this kind of thing will not be permitted to become a practice in this parliament if it can be prevented.

Hon. R. J. MANION (Minister of Railways and Canals): Since the right hon. gentleman has been given liberty to make the statement he has, which to my mind is entirely out of order, I should like to say a word, and that word is that the only reason I used such mild language about the editor of the Winnipeg Free Press, was that I could not parliamentarily use any stronger. The editor of the Winnipeg Free Press has consistently and persistently falsified the record about members on this side of the house. I do not on that account blame my right hon. friend for defending him. The editor of the Winnipeg Free Press has falsified the record about the Prime Minister (Mr. Bennett). He has on innumerable occasions lied about me—I do not want to use the word—

Some hon. MEMBERS: Order.

Mr. MANION: He has on innumerable occasions falsified the record in every way about me. I do not intend to be painted by the editor of the Winnipeg Free Press as a traitor to my country, and I may add that I have never hesitated in my speeches in Winnipeg or Manitoba or elsewhere to state my opinion of the editor of the Winnipeg Free Press. It is apparently suggested by the right hon. gentleman that the editor of the Winnipeg Free Press may falsify the record about me or any other member of the house daily in his newspaper, but that we dare not say a word in reply in this chamber. Is that the suggestion? I do not intend to live up to any such suggestion as that.

Mr. MACKENZIE KING: I do not think the remarks of the Minister of Railways and Canals should be allowed to go unchallenged. I do not believe any hon. member has a right to say that a gentleman beyond the confines of this parliament has deliberately falsified statements that he is making in the public press. I think my hon. friend should be called upon to retract his remarks.

Mr. MANION: I do not intend to retract anything.

Mr. SPEAKER: A member of parliament has a perfect right within the house to use such language as he considers parliamentary in regard to anyone else outside the house within the limits prescribed in the rules of the house and I do not think the editor of the Winnipeg Free Press or the editor of any other paper comes within the exception. Consequently there is no point upon which I should make a ruling at this time.

Mr. MACKENZIE KING: On the point of order may I quote to your honour the comment in Redlich's Procedure of the House of Commons, with respect to the rules of the house that govern in the matter of freedom of speech? In Volume III at page 48 Redlich speaks thus in regard to freedom of speech:

> The power of parliament to judge the acts and speeches of its members is the starting point, a condition precedent for its complete and absolute liberation from the control of any exterior authority. We can, of course, conceive a parliament which disclaimed such an autonomous jurisdiction—

That is to say, control over its own members in the matter of the language they may use.

> —and refused to call its members to account for transgressing the bounds of usage and tradition; and again a parliament might declare in advance that it did not insist on any standards of speech among its members and would exercise no control over them: in such cases we should be without the historic premises from which the privilege was deduced in England. The struggle there for freedom of speech was waged to emancipate the action of parliament from all influence of crown, courts of law and government; it was never a fight for an absolute right to unbridled oratory, for freedom to each member to say exactly what

he pleased. From the earliest days there was always strict domestic discipline in the house and strict rules as to speaking were always enforced. The house could point to its autonomous regulation of the conduct and speech of its members, and to its enforcement of its rules; its power of so doing enabled it to claim and to win for its members the right of exemption from all responsibility at common law for what they said in its debates. Thus, theoretically speaking, the principle of parliamentary freedom of speech is far from being a claim of irresponsibility for members; it asserts a responsibility exclusively to the house where a member sits, and implies that this responsibility is really brought home by the house which is charged with enforcing it.... Freedom of speech and self-imposed rules of debate are linked conditions for the existence of true parliamentary action.

I maintain that unless we proceed on that basis, parliamentary discussion becomes an impossibility.

Mr. SPEAKER: I want to thank the leader of the opposition (Mr. Mackenzie King) for calling my attention to the authority he has quoted. However my mind is quite clear with respect to the matter. May at page 99, as referred to in Beauchesne's Parliamentary Rules and Forms, page 96 has this to say:

If a member should say nothing disrespectful to the house or the chair, or personally opprobrious to other members, or in violation of other rules of the house he may state whatever he thinks fit in debate, however offensive it may be to the feelings, or injurious to the character, of individuals; and he is protected by his privilege from any action for libel, as well as from any other question or molestation.

I think that covers the point in question.

PRICE SPREADS COMMISSION

OMISSION FROM VOTES AND PROCEEDINGS AND ORDER PAPER OF MR. STEVENS' NOTICE OF MOTION

Hon. IAN MACKENZIE (Vancouver Centre): May I rise to another question respecting the privileges of the house as a whole. Last Friday as reported on page 2675 of Hansard, the hon. member for East Kootenay (Mr. Stevens) gave notice of motion which appears to-day for the first time on the votes and proceedings of this house on page i in Roman numeral (I). I am not at the present moment raising the question whether the resolution was in order or not, but I would like an explanation why it was not on the votes and proceedings of yesterday and on the orders of the day for to-day.

Mr. SPEAKER: I think the hon. member for Vancouver Centre was quite in order in raising the question, and I want to thank him for doing so. On Sunday, I think it was, I noticed an article in the Saturday morning Citizen under the heading of "Will not record Steven's motion", further on in the article it had this to say:

Action was taken by Doctor Arthur Beauchesne, K.C., C.M.G., clerk of the house, it was learned, to keep Mr. Steven's notice of motion out as improper on two grounds—

Then it went on to set forth the alleged grounds on which the notice of motion was to be kept off the order paper. I then came down to the house, examined the order paper and found the notice of motion was not on the order paper nor on the votes and proceedings. I got into touch with Doctor Beauchesne and asked him for an explanation as to why the notice did not appear on the records of the house and he gave me an explanation which was quite satisfactory. I asked him to be good enough to put it into the form of a memorandum, and he did so in the form of a letter dated April 15, 1935, addressed to myself as Speaker of the House of Commons, as follows:

Sir:

With reference to the report in the press stating that I refused to place Hon. Mr. Steven's notice of motion in the votes and proceedings, I beg to submit a word of explanation.

On Friday evening, the 12th instant, I told Hon. Mr. Stevens that, as his motion seemed to be out of order, notice thereof should not be given. After some discussion, he told me to take whatever action I thought best, which I understood to mean that he agreed to the notice not being inserted in votes and proceedings, but, Saturday morning, he came to my office and stated he had not intended to infer that I should withhold the motion from the notice paper, though he seemed to realize that he had spoken to me in such a way as to lead me to understand that he actually agreed to leave the notice out. I told him on Saturday that if I had thought for a moment he wished the notice to appear, I should have referred the matter to you, since, as Speaker, you are the judge of the admissibility of notices of motions or questions. It is our practice to call a member's attention to objectionable notices, and if the member insists on the notice being given under standing order 45, the matter is immediately referred to the Speaker. It is because Mr. Stevens did not so insist that I did not refer the matter to you.

Now, as Mr. Stevens wishes the motion to appear on the notice paper, I have the honour to refer the same herewith to you, and I shall take action on your decision when you think advisable to give it.

I have the honour to be, Sir,
Your obedient servant,
Arthur Beauchesne,
Clerk of the House of Commons.

Immediately upon receiving the memorandum in question from the clerk of the house

I instructed him to place the notice of motion on the minutes of proceedings, which has been done, and it will appear on the order paper to-morrow.

PRIVATE BILL

FIRST READING—SENATE BILL

Bill No. 64, for the relief of Frances Goldberg Joseph—Mr. Garland (Carleton).

BUSINESS OF THE HOUSE

STATEMENT AS TO LEGISLATION IN ADDITION TO THAT ALREADY ANNOUNCED

On the orders of the day:

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): Yesterday my right hon. friend the leader of the opposition (Mr. Mackenzie King) asked if the government could advise the house whether or not when we resume after the recess there will be other legislation in addition to the bills based on the report of the price spreads commission and the housing committee. I am sorry that I am unable to answer that question just now. I think that there will be a few other bills, but we all expect that when the house meets again after the recess the Prime Minister himself will be able to give the house the information sought.

Mr. CASGRAIN: We shall have a new speech from the throne.

CANADIAN NATIONAL RAILWAYS

REPORTED REDUCTION IN PRICE PAID FOR COAL IN ALBERTA

On the orders of the day:

Mr. E. J. GARLAND (Bow River): Mr. Speaker, I have a question to direct to the Minister of Railways (Mr. Manion). I have received information from the Cadomin, Luscar and Mountain Park coal mines in Alberta to the effect that the Canadian National Railways recently reduced, I think on April 1, the price they offer for coal by fifty cents a ton. I am anxious to know if this is true, and if so, what is the reason for it. The men are extremely exercised, and I am informed that there is danger of an outbreak if any economies are effected at the expense of the men.

Hon. R. J. MANION (Minister of Railways): I regret, Mr. Speaker, that I had not word of the matter previously. Naturally this matter is not discussed with me in any way, it is a matter for the management. But I shall gladly direct the attention of the management to my hon. friend's question and ask them for an explanation which I shall send to him.

UNEMPLOYMENT RELIEF

CONTINUATION OF FEDERAL GRANTS IN AID FOR THE MONTH OF MAY

On the orders of the day:

Hon. FERNAND RINFRET (St. James): I wish to ask a question of the Minister of Labour. It is this: Has the federal government taken or will it take means during the recess to ensure the federal contribution to unemployment relief in the different provinces for the month of May?

Hon. W. A. GORDON (Minister of Labour): Mr. Speaker, I have had the matter under consideration and it is under consideration by the government now. I believe I can state with a degree of certainty that the grant in aid will be granted for the month of May.

BRITISH COLUMBIA RELIEF CAMPS

On the orders of the day:

Hon. IAN A. MACKENZIE (Vancouver Centre): Mr. Speaker, I have a question to direct to the Minister of National Defence (Mr. Stirling). Has he any further information with respect to the strike of relief camp workers in British Columbia?

Hon. GROTE STIRLING (Minister of National Defence): No, Mr. Speaker, I have nothing further to report. The commission is sitting, was sitting last week at various camps in the lower country and yesterday was sitting in the city of Vancouver. I am not aware what their itinerary is to-day or will be the day following.

POST OFFICE EMPLOYEES

On the orders of the day:

Hon. ARTHUR SAUVE (Postmaster General) (Translation): Mr. Speaker, in answer to a question put by my hon. friend the member for Ottawa (Mr. Chevrier), which appears at page 2722 of the Hansard of April 15th, I must say that I did not personally authorize these instructions concerning the statutory holidays in the postal service, because such instructions are simply a matter of practice and they are given every year by competent officers, as circumstances require.

ADDRESS TO HIS MAJESTY

On the orders of the day:

Mr. E. R. E. CHEVRIER (Ottawa) (Translation): Mr. Speaker, I wish to ask the act-

ing Prime Minister (Sir George Perley) if the address which this house has adopted to express its loyal and respectful congratulations to his Most Excellent Majesty the King on the occasion of the twenty-fifth anniversary of his accession to the throne shall be presented to His Majesty in both official languages of Canada.

In other words, I desire to ask this of the acting Prime Minister: Will the address which this house passed expressing loyal and respectful congratulations to His Most Excellent Majesty the King on the twenty-fifth anniversary of his accession to the throne be presented to His Most Excellent Majesty in the two official languages of this country.

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): Mr. Speaker, the loyal address to His Majesty is being engrossed in both languages.

PEAT FUEL INVESTIGATIONS

On the orders of the day:

Hon. CHARLES STEWART (West Edmonton): I should like to make an inquiry of the Minister of Mines (Mr. Gordon). I notice in this morning's Citizen a rather lengthy article stating that negotiations are under way between the government and a company desirous of manufacturing peat, and that there is a proposal to have an investigation made by a commission looking towards securing further information. May I ask if this report is correct?

Hon. W. A. GORDON (Minister of Mines): Mr. Speaker, I saw the article to which the hon. member has referred. It is by no means an accurate statement. The fuel testing laboratories in Ottawa operated by the dominion government are constantly carrying on investigations with respect to fuels of all kinds. There has been, I am told, considerable agitation lately on behalf of a company, with whose name I am not familiar in regard to some new process said to be designed in such a way that peat can be converted into a fuel for use in Ontario and Quebec comparable to and able to compete with anthracite. Matters such as these are constantly under review by the fuel division. If this process is as good as it is claimed to be I think it is something the qualified officials of the department should investigate. At the moment no decision has been arrived at, but I am looking into the whole matter and if it appears desirable to have the competent officials of the department investigate the peat fuel situation I think the government would be quite justified in authorizing a very modest expenditure in order to carry on an investigation of that character.

[Mr. Chevrier.]

DISMISSAL OF MR. HECTOR HUDON

On the orders of the day:

Mr. GEORGES BOUCHARD (Kamouraska) (Translation): Mr. Speaker, may I ask the hon. Postmaster General (Mr. Sauvé) if he expects to lay on the table of the house, before the adjournment, the return concerning the dismissal of Mr. Hector Hudon, mail carrier of St. Pascal, county of Kamouraska?

Hon. ARTHUR SAUVE (Postmaster General) (Translation): I can only say to my hon. friend that I shall inquire from the officials who deal with the compiling of these returns and instruct them to produce them to-morrow, if possible.

CANADIAN NATIONAL RAILWAYS

DISCONTINUANCE OF TRAIN SERVICE ON CERTAIN BRANCH LINES

On the orders of the day:

Mr. LUCIEN DUBOIS (Nicolet) (Translation): Mr. Speaker, I read in to-day's Le Canada that the Canadian National Railways intend to ask the railway commission permission to discontinue trains on about 160 miles of branch lines in the province of Quebec, particularly on the lines running from Victoriaville to St. Grégoire and from St. Leonard to Nicolet, in the county of Nicolet.

As I am well informed about the local conditions I must protest against the closing down of these branch lines.

Mr. VINCENT DUPUIS (Laprairie-Napierville): The hon. member for Nicolet (Mr. Dubois) has just directed a question to the Minister of Railways and Canals (Mr. Manion), concerning a matter in which I am very much interested and which I discussed with the minister some time ago. I refer to the discontinuance of service on branch lines in the province of Quebec. In the constituency of Laprairie-Napierville this includes the branch line from St. Isidore Junction to Hemmingford. The hon. member for Nicolet asked the minister if anything can be done to assure the people of Quebec that these branch lines will be continued in operation.

Hon. R. J. MANION (Minister of Railways and Canals): I meant no disrespect or discourtesy to my hon. friend from Nicolet (Mr. Dubois); I caught only a few of his words and I meant to look up his question and reply to-morrow. In regard to the discontinuance of service on lines, or the abandonment of lines, I have no control in any shape or form; the management of the railway, whether it is the Canadian Pacific or

the Canadian National, have absolute jurisdiction in that regard with the exception that they must submit their intention to abandon to the board of railway commissioners. I am glad to offer to both hon. gentlemen this suggestion, that when any of these abandonments are proposed their proper course is to approach the board of railway commissioners and make their protests as volubly and strongly as possible. I quite sympathize with them in their wish to see these abandonments not carried out, but I have no control whatever over either railway in that regard.

Mr. T. ADELARD FONTAINE (St. Hyacinthe-Rouville) (Translation): Mr. Speaker, I wish to second the remarks of the hon. member for Nicolet (Mr. Dubois) and to add now that they also apply to the district of St. Hyacinthe.

In answer to the hon. Minister of Railways (Mr. Manion) I may say that so far as the discontinuance of certain services of the Canadian National in the district of St. Hyacinthe is concerned I had occasion to make similar suggestions to the board of railway commissioners who paid very little attention to them.

Mr. MANION: I shall draw the words of the three hon. members who have spoken to the attention of the railways; I assume they all have to do with the Canadian National.

DISTRIBUTION OF THE FRENCH EDITION OF THE CANADA YEAR BOOK

On the orders of the day:

Mr. LUCIEN DUBOIS (Nicolet) (Translation): Mr. Speaker, we received, a few weeks ago, the English edition of the Canada year book but the French edition has not been distributed as yet. May I ask the hon. Minister of Trade and Commerce (Mr. Hanson) when he expects to have the French edition ready for distribution?

Hon. R. B. HANSON (Minister of Trade and Commerce): I understand that the hon. gentleman's question has regard to the French edition of the Canada Year Book. I will have immediate inquiry made and let the hon. gentleman have the information.

PRICE SPREADS COMMISSION

On the orders of the day:

Mr. GEORGES BOUCHARD (Kamouraska): In view of the fact that the question I directed some time ago to the Secretary of State (Mr. Cahan) with regard to the French translation of the report of the price spreads commission was disregarded by the hon. gentleman, who said he had nothing to do with the matter, may I ask the Minister of Trade and Commerce (Mr. Hanson) if he could give me a proper answer as to when this translation is to be completed?

Hon. R. B. HANSON (Minister of Trade and Commerce): That will be done as promptly as possible. I shall make inquiries.

RADIO BROADCASTING

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister) moved the second reading of Bill No. 60, respecting radio broadcasting.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. MacDonald (Cape Breton), in the chair.

On section 1—Provisions of act of 1932-33 reenacted for two months.

Mr. POULIOT: Mr. Chairman, may I ask the Minister of Marine if the radio commission is under his jurisdiction?

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): Mr. Chairman, this bill has for its purpose the extension for two months of the rights and powers of the radio commission, and appears in the name of the Prime Minister. In deference to the suggestion offered by the right hon. leader of the opposition I said I would take charge of the bill. I hope that will answer the question of the hon. member.

Mr. POULIOT: No, that is not the point at all. Upon three or four occasions I have asked the Minister of Marine to answer me yes or no as to whether or not the radio commission was under his jurisdiction. I want that information, right now, please.

Sir GEORGE PERLEY: If I may be permitted to answer I would say that the radio commission is a body given authority by parliament. It reports to parliament, through the Minister of Marine. However the Minister of Marine has no authority over the radio commission, nor has any other member of the government. It is a semi-independent body of the same nature as the civil service commission, which reports to this chamber through the Secretary of State.

Mr. POULIOT: I protest against it, very strongly. The Minister of Marine brings down the estimates for the radio commission; he asks us to vote money for that commission,

but we find that it is not responsible through him to parliament. I have asked the minister that question on many occasions and have never received a satisfactory answer. The answer given by the acting Prime Minister is less satisfactory than ever. I submit that a bill having to do with any matter in connection with which a minister submits estimates should be in charge of the minister who places those estimates before the house. I hope I have made myself clear.

I do not see the necessity for placing the Prime Minister or the acting Prime Minister in charge of the bill. Yesterday I stated I was suspicious about another piece of legislation in which both the Minister of Railways and Canals and the Minister of Public Works were interested, despite the fact that it stood in the name of the Prime Minister. My reason for making this statement and for repeating it in connection with this bill is that the Prime Minister is not in the house; to-morrow he is sailing for England. How is it that a right hon. gentleman who although theoretically speaking is the leader of the government and is leaving this country to-morrow, still has his name appear on the bill?

I have another objection. In the measure we are changing only the figures; in other words we are extending the powers of the commission for some time. It is impossible to get accurate information as to the expenditures of that body.

Mr. CASGRAIN: They are large.

Mr. POULIOT: When we ask for information it is always hard to get, and we do not get it until after the estimates have been passed. I submit the radio commission should give full information about its expenditures. We should have full details concerning the salaries paid, travelling expenses of commissioners and employees, money paid for copyrights, money paid as salaries or fees to singers, musicians or broadcasters of any description. I do not forget that upon one occasion Mr. Charlesworth used very bold language concerning hon. members of this chamber. No one in the House of Commons is afraid of him. He is our servant; in that capacity he must render an account, and so must the other commissioners. For the reasons already given I strongly object to this legislation.

The bill should be in the name of the Minister of Marine. We remember that when the dock was opened at Saint John, or somewhere down in the maritime provinces, the Minister of Marine was not in charge of the ceremonies. The Prime Minister was in charge, a circumstance which I considered an insult to the Minister of Marine, and one which I resented more than he did, unfortunately. Now, sir, I say it is an insult to the province of Quebec, an insult to the city of Montreal, an insult to the beautiful constituency of Chambly-Verchères, represented in this chamber by the minister, an insult to every hon. member from the province of Quebec and an insult to the whole of the population of the province of Quebec to find that this bill is not in the name of the Minister of Marine. Does that mean his name is not heard when council is sitting in the east block? Well, sir, someone from his province should speak for him and should lodge a protest with the acting Prime Minister, and through him to the Prime Minister, and through him to all the minister's colleagues from the province of Quebec. We must defend their rights, their authority and their prestige in the sittings of council.

Mr. CHAPLIN: Why don't you broadcast it?

Mr. POULIOT: I have to speak loud for those who are deaf and dumb, like the hon. member. I strongly protest to the members of the province of Quebec because I consider this circumstance an insult to ministerial responsibility. I do not know how members of the council can be bold enough to use the name of the Prime Minister on the bill when he is absent from this chamber, when he is sick—poor man, he might be in bed. He is sick. Probably he does not know his name appears on this bill. Had he known, undoubtedly he would have used the same language as I have. He would have said, "Give that bill to my distinguished colleague, the Minister of Marine." He would have considered it as a usurpation of rights, and would have said, "Well, just before leaving, by doing a thing like this you make my heart grieve. I cannot understand how my colleagues, men who have been faithful to me for some time, can now do a thing like this, and I resent it even more than the hon. member for Témiscouata."

I am most serious. I have been brought up in the British parliamentary traditions of responsible government and ministerial responsibility. What do we see here? We have Polichinelles who ignore the very ABC of ministerial responsibility. I strongly protest against it, from the point of veiw of the dignity of a minister of the crown, and from the point of view of the dignity of the province of Quebec of which my hon. friend is one of the four ministerial representatives in the cabinet and, sir, I protest also as a member

of the House of Commons who has responsibilities to the electors of Canada because we are told nothing about the expenditures of that radio commission—that radio commission which broadcast the speeches of the right hon. the Prime Minister. Is it on account of the fact that there was so much interference when he made those radio speeches,—if I am wrong in the above statement that this has been done outside of his knowledge,—that the Prime Minister is angry with the Minister of Marine (Mr. Duranleau) because the reception was not good when he delivered his speeches over the radio in January? I do not know. There should be an investigation into that. I think there would be many interesting disclosures.

Let me summarize what I have said. Look at the statues around this building of those old champions of British traditions and responsible government, those grand old men of Ontario, Quebec and the maritime provinces who joined together to bring about responsible government in this country, and whose statues all around this building remind us of their fruitful lives in the service of their country; I wonder what all these old pioneers of responsible government in this country would say if they were living now and could see legislation like this under which expenditure is made running into the millions without the minister being responsible to the commons. I am sorry for the government, but I am sorry especially for the hon. minister who should have used the language that I have with respect to this matter.

Mr. DURANLEAU: Mr. Chairman, I do not intend to enter into debate with my hon. friend from Témiscouata (Mr. Pouliot) for this bill merely provides that the commission will carry on for two more months in order to give the house after the recess an opportunity to study the question and decide whether a new policy should be adopted. I should like, however, to answer my hon. friend's point that this bill should not be in the name of the Prime Minister. I felt that, as the first bill providing for the incorporation of the Canadian radio broadcasting commission was in the name of the Prime Minister, and properly so, subsequent bills amending the first one should also be in his name.

As to the authority of the Minister of Marine over the radio commission, I have had occasion to give my views to this house during the last two sessions, and I think I have also told my hon. friend from Témiscouata; the statute speaks for itself, and I am sure that my hon. friend who is a lawyer practising at Rivière du Loup has carefully studied that particular law from the first word to the last, and knows exactly what is the authority of the Minister of Marine and of the government over the radio commission.

The radio commission was incorporated by this house, and this house has authority over the commission. It was the unanimous desire of the house that this commission should be secured against all political interference, and that is the reason why the radio commission, as far as its programs are concerned, is absolutely independent of the minister. The minister has some authority in the matter of issuing station licences, and whatever may be said by my hon. friend, I have exercised that authority. My hon. friend, probably in order to make some political capital in the province of Quebec, states that I do not exercise my powers and that that is an indignity to the province of Quebec. I say that my hon. friend is entirely wrong. I have attended almost every radio celebration in the province of Quebec. I have attended the opening of almost all the radio stations in the province of Quebec—

Mr. LAPOINTE: Hear, hear.

Mr. DURANLEAU: And I may tell my hon. friends from Quebec, even my hon. friend from Quebec East (Mr. Lapointe), who says "hear, hear," that the words that I have used on those occasions were not an indignity to my province. I invite my hon. friends to read what I have said on those occasions. I am sure, Mr. Chairman, that my hon. friend from Témiscouata is not serious when he uses such language before this committee, and when he speaks of an indignity to our province I think he should be careful himself, because all of us from the province of Quebec represent our province as well as the whole of Canada, and we should always do our utmost to give the best possible representation to our province.

Mr. LAPOINTE: Mr. Chairman, I think the words of my hon. friend the minister (Mr. Duranleau) justify the criticism of my hon. friend from Témiscouata (Mr. Pouliot) because the minister admits that whenever there is a celebration he is there to take part in it, whenever there is an opening of a radio broadcasting station he is there with a speech, and he tells us that his speech is really up to the mark and rather brings glory to the province he represents in the government.

Mr. DURANLEAU: Pardon me, I did not say that.

Mr. LAPOINTE: I would like the minister to do a little more than attend celebra-

tions and make speeches. He should go further and introduce into this house the bills that refer to the radio broadcasting commission. True it is that when the commission was first organized the Prime Minister was in charge of the bill, but the commission has been placed under my hon. friend and he is now looking after its affairs, and everything relating to the radio commission is brought before this house through him. But he is not alone in this respect, Mr. Chairman, because other ministers as well have seen their legislation taken away from them and introduced by the Prime Minister.

While I am on my feet may I say this? I am pleased that the minister has said that when the original bill was enacted incorporating the radio broadcasting commission the house was unanimously of the opinion that politics should be kept out of it. That is why I complain, Mr. Chairman, because in the very first year of the radio commission the organizer of the party of my hon. friend was appointed to the commission. I have nothing to say against him, and in fact he is no longer a member of the commission, but we had quite a debate in this house over the matter. That gentleman resigned from the commission. He was the Conservative organizer for the district of Quebec in the last general election and the government replaced him with the Conservative organizer for the other part of the province of Quebec, the district of Montreal. I do not think that is fair to the house, especially when my hon. friend admits that it was unanimously agreed by this house that politics should be kept out of the radio commission. We are going to have a general election very soon, and radio broadcasting is now a very valuable instrument of propaganda during an election campaign. It is used extensively and I think that some arrangement should be made. I take advantage of this opportunity to say this, so that fairness towards all political groups and parties, on the part of the authorities who control broadcasting in Canada, should be assured. I must confess that the way the whole thing has been done for the last three years does not give me much confidence in the impartiality which we may expect on the part of those who are at the head of the radio commission, but I hope I am mistaken in this regard and that the future will prove that they will treat everyone fairly. Again however I say that my hon. friend should take charge of the bill because it is one that comes under his department and, according to all parliamentary precedent, should have been initiated by himself.

[Mr. Lapointe.]

Mr. DURANLEAU: Only a word in answer to the statements of my hon. friend as to the two appointments to the radio commission from the province of Quebec. As to the first appointment, the matter was raised in the house two years ago and the Prime Minister gave, I think, a complete answer to the charge which was made at that time. It is true that the gentleman had been a candidate at the last election, but he had been employed by the Liberal administration of Quebec. He had been an outstanding forestry engineer under the Taschereau administration and the Gouin administration, if I remember rightly, and when he was appointed he swore that he would be absolutely independent of politics. I think my hon. friend from Quebec East will admit that this gentleman was fair to everyone when he was a commissioner and that he may well be proud of his administrative record. I am pleased to say that Mr. Maher, during the time he has been on the commission has been considered by everyone as an able business man who has fulfilled his duties in a most satisfactory manner.

Mr. DUPUIS: What is the cause of his departure from the commission?

Mr. DURANLEAU: The hon. member might put that question to Mr. Maher. I know for some time he had been asking to be relieved of his public duties, and he sent in his resignation, and now he is in business. As to the second appointment, I do not think my hon. friend from Quebec East represents the views of the great majority of his followers in this house and outside of this house when he challenges it.

Mr. LAPOINTE: Is it true he was the organizer?

Mr. DURANLEAU: My hon. friend says that Mr. Cartier had been organizer of the party. I may tell him he is absolutely wrong in that respect. True it is he gave some help during the last election, but I can tell my hon. friend that for two or three years he has been absolutely out of politics, and I challenge anyone in this house to prove that within at least two years of his appointment he carried on any political activities.

Mr. LAPOINTE: There has been no campaign.

Mr. DURANLEAU: Let me say further, he has been the pioneer of radio in this country; his competency is admitted by everyone. His appointment was received all over Canada with praise for this government and I think that since he has been in his office

he has shown himself to be very competent and absolutely independent of party politics. I challenge my hon. friend to cite one instance where he has not been fair to everyone who has had something to do with the broadcasting stations under the commission.

Mr. POULIOT: What about Mr. Charlesworth?

Mr. DURANLEAU: The stations under the radio commission have been open to everyone, to every political party when they were prepared to pay the usual charges. When we on this side of the house use the radio commission's stations we pay the full charge, and my hon. friends have exactly the same opportunity. If it can be provided that the radio commission has been unfair or unjust to any political party I want to be told about it and I will correct the situation immediately.

Mr. POULIOT: What about Mr. Charlesworth?

Mr. EULER: It had been my intention to make my observations, and perhaps criticisms, when the Minister of Marine brought the radio estimates before the committee, but the acting Prime Minister yesterday stated in introducing this simple bill that it provided only for the continuance for two months of the commission as at present constituted, and that this was to be followed by an entirely new bill which—

Sir GEORGE PERLEY: I beg your pardon; I do not think I said that.

Mr. EULER: I was reading the press, and perhaps the press was reading into the mind of the acting Prime Minister something that is not there. However, I think it is correct to say that it is the intention of the government after the recess to introduce a new bill which will deal with the radio situation; otherwise one can hardly conceive of a sufficient reason why this particular status should be prolonged for a period of even two months. It seems to me, in view of the probability that we are going to have a new bill to deal perhaps in an entirely different way with radio matters, that this is the time to make suggestions and perhaps criticisms if they are to be of value in the framing of the bill which is to follow. Perhaps I flatter myself and other members of the opposition if I say that we have any confidence whatever that what we may say will be taken into consideration by the government, but I am willing to give them credit for ordinary common sense and fairness in a matter of this kind.

In 1932 a committee was appointed by the government to consider what was proper to be done in connection with radio, with a special view to its nationalization. I happened to be a member of that committee and I have never sat on a committee that acted more harmoniously than did that one. Our report was unanimous. We recommended the nationalization of radio, and that provision should be made for the building of five great radio stations of great power to serve all the people of Canada—for there was a great deal of complaint that there was not sufficient coverage and that certain parts of the country did not enjoy proper radio reception. The bill was introduced by the Prime Minister and in a very eloquent and convincing speech he laid before the house the principles upon which radio should be publicly owned and operated. Perhaps I need not go into this particularly, but as I shall make one or two criticisms it is fair for me to say what were the principles on which radio was inaugurated and then to point out wherein those principles have not been followed.

In the first place the Prime Minister referred to the fact that radio is a natural monopoly That is quite true, and because it was of such great importance and the channels are limited, it should not become the property of private persons. With that I entirely agree. Then he stated that radio could be of immense benefit to the Canadian people as a whole in the creation of a Canadian sentiment, to encourage Canadian talent, to educate the Canadian people along Canadian lines and to ensure—and I want to emphasize this—that Canadian radio broadcasting would remain free from foreign domination. It was distinctly understood that there should be a gradual approximation of radio broadcasting into public ownership channels; that private ownership except in the very small stations and small communities should be abolished, and that the country in general would do the radio broadcasting. As I said, we all supported this. I had the privilege of seconding in the house the adoption of the report upon which the legislation was subsequently based, and when the Prime Minister introduced his bill, some of us spoke in favour of it. I recall at that time I asked him to state whether it was his intention that there should be no political influence or bias exercised in appointments that might be made either to the radio commission or of those who would operate it, and we received a very direct promise from the Prime Minister that there would not be anything of that sort. I remember very well the leader of the opposition making the practical suggestion that in appointments of

members of the commission, the respective parties might be consulted and proper persons selected upon whom no reflection could be cast as having been the beneficiaries of political influence. The Prime Minister made no absolute promise that he would accede to the suggestion, but the fact remains that he did not follow that course. If a success is to be made of public ownership of any sort, whether it be the Canadian National Railways or the Canadian broadcasting commission, politics must be kept out of it and it must be so conducted that the confidence of the Canadian public may be maintained. That confidence has in my judgment been lost to a very large extent. It is not necessary for me to refer again to what the hon. member for Quebec East has said, namely, that in the very first appointment the Prime Minister, to put it mildly, made an error of judgment when he appointed to that commission a gentleman who certainly had very strong political leanings and had been a political organizer.

Mr. CASGRAIN: A political candidate.

Mr. EULER: Surely there could have been found in the good province of Quebec a gentleman who would not be open to that charge. At the end of the first year of operation of the commission there were a good many complaints. That perhaps was to be expected. When an organization gets under way in an entirely new enterprise, it has its difficulties and must expect to receive some criticism, but some of those complaints were founded and indeed I made some of them myself. In fact, so dissatisfied was the hon. member for Winnipeg North Centre (Mr. Woodsworth) that he actually made the statement that he was afraid that radio broadcasting had become the property or was under the control of the Conservative party. I did not make that statement; I give that merely as an indication of what I have said before, namely, that there was a distinct suspicion—and I had it also—that politics did enter to some extent into the operation of the national broadcasting commission.

Another committee was called last year to deal with the objections which were raised. That committee made a report that the general set-up should be changed; that there should be a manager, and in the original report and I think in the bill itself it was provided that there should be an assistant commissioner appointed for each of the provinces. Nothing was ever done with regard to that. Then before last year's committee—and I was not a member of it—a former employee of the commission and in my opinion a very competent man, made very distinct and definite charges with regard to the operation of broadcasting in this country through the commission. I have read some of the evidence and to my mind it has never been adequately answered by the commission itself.

The Prime Minister complained of the attacks that were made upon public ownership of the broadcasting commission. I think there is some reason for this. Practically none of the purposes for which the commission was created has been carried out to any appreciable extent. No big plan of public ownership has been adopted. It was intended, as I said before, that five powerful radio broadcasting stations should be established throughout Canada, but really nothing in that regard has been done. Three years ago we had in this country forty-nine broadcasting stations, all privately owned. One would think when the government took over broadcasting under public ownership, that number would tend to diminish rather than to increase; yet whereas we had forty-nine privately owned broadcasting stations three years ago, we now have fifty-nine stations and only seven publicly controlled or owned. I may be open to correction on this, but I think I am right in saying that except in Ottawa, Quebec city and that good city of Windsor from which our chairman comes, no attempt has been made to give greater coverage to publicly owned radio broadcasting. Private stations on the contrary have been given increased power, and the whole tendency to my mind has been not to promote public radio broadcasting, but to add more power to and to increase the number of private broadcasting stations.

Let us take for a moment a general view across Canada from coast to coast. As to this of course I have to take my information as I have heard it; I think it is accurate, but there are members who might feel afterwards like contradicting me. In Vancouver three years ago there were six duplicating private broadcasting stations. No change has taken place there, and I think I have heard complaints from some British Columbia members on this side with regard to the service. In Calgary there are three private broadcasting stations and one of those has increased its power to 10,000 watts. A promise was made in 1933 I think that British Columbia and Saskatchewan were to have two big broadcasting stations, but nothing has been done. In Winnipeg there is one station owned by the Manitoba government, and the wattage has been increased from 5,000 to 15,000. I have no complaint to make with regard to that.

Mr. BEAUBIEN: That is owned by the Manitoba government.

Mr. EULER: Yes. It is a form of public ownership and I am not so critical about it.

Mr. BEAUBIEN: The radio broadcasting commission has been bucking the Manitoba government ever since that station has been in existence.

Mr. EULER: I am glad to have my hon. friend elaborate on that. To come to Ontario, in Toronto the commission leased CKGW, a very fine station with the largest audience in the Dominion of Canada. Now, for some reason or another the wave length of that station was taken away from Toronto and given to Windsor, with the result that the listening in on the Toronto station under the new wave length that was given to it fell off very materially.

Mr. ROBINSON: What wave length was that in Windsor, because they have changed it down there three times; it is no good.

Mr. DURANLEAU: It is wave length 840, and it has been returned to Toronto.

Mr. EULER: I was coming to that. It was not returned to Toronto until after the committee met last year and representations were made to that committee and objections raised. We had this peculiar occurrence that a member of the radio commission stated and it is here in the records, so I will read it:

> I submit that as a matter of fact it was far better for the commission station—

That is the publicly owned station at Toronto.

> —to have this trouble than that the commercial station in Windsor, which is forced to make its living by means of its operation, should have been subject to this interference during the past season.

The trouble referred to being the new wave lengths that were given to them. In other words the publicly owned station, or the convenience of the people, yields to the money-making proclivities of the privately owned station. That is what it amounts to.

It was also announced not so very long ago, that Toronto was to have a 15,000 watt station, but so far nothing has been done. That would be a wise step for the commission to take.

Now, I want to return for a moment to the Windsor situation. I do it more or less reluctantly, because of the fact that my hon. friend in the chair comes from that city, and I do not propose to cast any reflections whatsoever on him. Two years ago I stated that in granting a licence to the Windsor station we were violating one of the first principles laid down by the Prime Minister, that broadcasting should not get into foreign hands. I said then and proved, that the Windsor station is owned by United States people, the Columbia broadcasting system. They are still in control of that station, in fact they advertise it as one of the chain of the Columbia broadcasting system, and state specifically to their customers: This is a station that covers a great market, meaning the city of Detroit across the river. As a matter of fact they came to Windsor and got that station because they could not get a licence in Detroit. I make this statement which I do not think can be successfully challenged, that the station at Windsor, having one of the few channels that we have in Canada, has been deliberately given over to United States owners for United States purposes, as a money-making station for advertising the city of Detroit and the surrounding district. There was complaint in regard to that. I made some complaint here, but there were complaints from sources a good deal nearer to the government. In the city of London, which is in the very heart of the western peninsula of Ontario, there was a small broadcasting station owned by the London Free Press, which stands very close to this government. Of that I have no criticism to make. But I leave it to the judgment of the committee whether it would not have been wiser to put a big broadcasting station in the centre of western Ontario rather than on the extreme edge. The London Free Press thought so, I think, and when the licence was given for this big station at Windsor the fat was in the fire and there were some journeyings to Ottawa on the part of the people of the London Free Press. But everyone was made happy in a very simple manner; the London Free Press sold out to the Windsor organization, the chairman of which by the way is also the president of the Conservative association—perhaps that has nothing to do with it, but that is the fact. The London Free Press got another small station and then sold their old plant to the commission as some sort of experimental station the purpose of which is not clearly understood I am told by anyone whatsoever. Then quite properly, to satisfy the good people of Windsor who are really getting no good from the big station, which serves the city of Detroit, the commission kindly gave them a station of 1,000 watts, and I suppose Windsor and my hon. friend at the head of the table are thoroughly satisfied. I do not often make charges and no one will say I am bitterly

partisan at any time; but I say that in my opinion the whole Windsor situation was bedevilled by politics almost to the point of being a public scandal. And I say that this government, if it wishes to administer the work of this commission free from political bias and influence, should make a thorough investigation of how that whole situation came about in the Windsor and London district.

Now I come to Montreal. Perhaps I had better leave that to my Quebec friends, but I just want to make this point, that there has been practically nothing done in the way of advancing public ownership of broadcasting there. The commission built a fourth station, there were already three there, and they might very well have acquired one of the existing stations and not increased the competition.

As to the maritimes I know not so much, except that the Canadian National Railways station at Moncton was purchased by the commission, was torn down by them and they did not build a new one.

Mr. VENIOT: They are establishing small ones all over the place.

Mr. EULER: Well, I have no objection to small communities having small stations for their local purposes, but they are not serving the purposes enunciated by the Prime Minister as I have enumerated them. In the allotting of wave lengths—and I do not desire to be too critical; there may have been good reasons—they certainly did create bedlam in many parts of the country. I can speak for the little station in my own town, it was used by one of the churches, and there was great difficulty in being heard under the new wave length. What mortified me more than anything was to find that they had given to our little station in the city of Kitchener a wave length that the city of Hamilton absolutely refused to keep. Hamilton was able to get another, but we were unfortunate, we could not do so. I am free to admit that I am not a very great radio fan. I do not listen in a great deal, there being too much advertising and other things that I do not like, but generally speaking it is true to say that the programs are mediocre.

Some hon. MEMBERS: Hear, hear.

Mr. EULER: Instead of having so many mediocre ones it would be much better to lessen the number but have them of first rate quality.

The less said about the educational broadcasting the better. There does not seem to be any policy at all in regard to it.

[Mr. Euler.]

Then finally I come to the censorship established by the commission. Here is a regulation of the radio commission which I think is very interesting. Perhaps most hon. members have seen it, but I commend it to the attention of the Prime Minister. If he makes any more radio broadcasts he may be subjecting himself to possible imprisonment or a heavy fine. I am reading only the essential parts for my argument. Article 90 provides that no broadcasting station may broadcast any statements or suggestions contrary to the expressed purpose of any existing legislation. I should think that that would almost rule out anybody who dares to criticize any legislation which is already on the books—

Mr. LAPOINTE: The marketing act.

Mr. EULER: —and might be particularly obnoxious to my hon. friends in the corner, who want to put on much more radical legislation than the rest of us desire. Now I do not suppose that the commission intend to use that power arbitrarily, but it should not be there.

Mr. LAPOINTE: Hear, hear.

Mr. EULER: We have an election coming on. That power could even be strained to the point—and it would not have to be strained very much—of preventing anyone opposed to the present government from criticizing its past legislation, or even sending him to gaol or subjecting him to a heavy fine if he did, because fines up to $200 and imprisonment up to six months are provided. It seems to me that that power taken by the commission, is entirely too wide, and the minister should see to it that that is abolished.

My criticism is on two points. It seems to me that it is abundantly proven that there has been in some cases at least, whether by the minister or not, some political influence used either in the granting of licences or the administration of the work of the commission. In the second place the commission has not carried out the express purpose for which it was created, that is gradually to eliminate private broadcasting and to substitute public broadcasting in order to carry out the great purposes which the Prime Minister mentioned when he introduced the bill in the first place. My hon. friend from Quebec East has spoken of certain appointments that were made. I am not going to refer to that question except to say that I think it could be plainly shown, not only in connection with the personnel of the commission itself but also in connection with some of the officers working under that commission, that they are not free from the

suspicion that there was political influence in their appointments. As I have said I am not particularly prone to charge partisanship, but I say this because I am very anxious indeed that public ownership of radio should succeed, and in order that it may succeed there must be eliminated every suspicion of partisan influence.

To my mind the principle of public ownership has not failed, though I will say frankly —and perhaps it will please some of my hon. friends on the other side, including perhaps the Minister of Railways,—that when I see, perhaps in the national railways and in the radio commission, the extent to which politics has been allowed to bedevil these services, sometimes I am inclined to say that I am not quite as strong a public ownership man as I have been in the past. Yet the principle itself is sound. It has not been the failure of the principle of public ownership in the conduct of public broadcasting; I honestly believe the failure has been in the administration. If in this legislation which will be introduced after May 20 the government propose to correct some of the things I have mentioned, and perhaps make other improvements, then I shall be very well satisfied and I wish them all speed in their purpose

Mr. BRADETTE: I want to bring to the attention of the committee once more the matter I mentioned a week ago yesterday on the resolution of the hon. member for Quebec East (Mr. Lapointe) namely the bad radio reception in northern Ontario. I am not going to go over the ground I covered at that time, but now that the Minister of Marine (Mr. Duranleau) whose department has full jurisdiction over radio, is here I want to make him realize that at least a quarter of a million people in northern Ontario and northern Quebec are absolutely dissatisfied with the present radio reception. I have made this protest on several occasions, absolutely outside the realm of politics. I do not want politics to enter into this discussion, because all sections of the population in the north are in agreement with radio nationalization, and that they should not be expected to pay licence fees because they do not get the reception to which they are entitled. It is very seldom, even at night, that we are able to get the national programs. We do not deny that some wonderful programs are put on in the United States, but we maintain that as Canadians we are entitled to receive the Canadian programs as well.

The people in the north were unanimous in their support of the nationalization of radio, but surely after three years we should have better reception in that part of the country. I agree almost entirely with the hon. member who preceded me; I do not think the commission has discharged the function we expected of it. More than that; we had a definite promise from the commission that it would send experts to consider the situation and that the commissioners themselves would come to our part of the country in order to survey conditions. I am sorry to say they have never paid us that visit. I am sorry also to say that although the commission have been very favourable to us and have been willing to cooperate with us, something has happened which has made it impossible for the commission to secure sufficient funds to establish a station that would give us the service to which we are entitled. The hon. member who preceded me mentioned the fact that when the radio commission was set up it was decided that five high powered stations should be established in different sections of Canada in order to give proper service. These stations are not now giving any service in northern Ontario.

We were highly elated this winter when we saw in the press that it was the intention of the government to remedy the situation in our section of the country. I am not going to read the editorials that appeared in the newspapers of New Liskeard, Kapuskasing, Cochrane, Timmins and other points in northern Ontario, but they all expressed satisfaction with the proposal. We were sadly disillusioned, however, a few weeks later, when, in reply to a question asked from this side of the house, the Minister of Marine told us the government had made no move in that direction, so far as he was aware. So to-day we are no further ahead than we were last year or three years ago. At the present time we have three small local radio stations in the north; one is in North Bay, another is in Kirkland Lake and the third is in Timmins. I have already stated that we have no fault to find with these local stations, but surely the government or the commission do not expect us to be satisfied with them because they cannot give national service. These stations are rendering a service to the three localities in which they are located; no doubt they are also serving a commercial purpose, with which I have no fault to find, because I presume it is impossible for the commission or the government to maintain these local stations; but they cannot render the service to which we are entitled, and we should not be expected to be satisfied with the situation that exists at the present time.

I want to warn the minister; he is going to have a young revolution on his hands this

year if he tries to collect licence fees in our section of the country, if we do not get better service than we get at the present time. Dozens of people have been brought before the police magistrates because they refused to pay the $2 licence fee; they claim, and rightly, that they should not pay because they are not getting the service. In the past it has been held that people who are taxed should be represented, and in connection with radio, whether under private or government control, if they do not get the service they should not be expected to pay the fees. Many of the people are refusing to pay again this year, for the reasons I have already given.

It is not my intention to take up very much of the time of the committee in this connection, because the Minister of Marine must be fully seized of this situation. We do not place the blame at the door of the commission; we place it entirely on the shoulders of the government, because surely during the last three years they have had time to study the situation. When the nationalization of radio was first mentioned we were unanimous in our support in northern Ontario. Perhaps we were a bit selfish; under private ownership we were not getting the reception that was given in the cities. To our sorrow, however, we found that though we were expected to contribute $2 per year for a licence fee, we were not receiving the service we had expected, while under private ownership at least we did not have to pay the licence fee. If under private ownership we did not get the programs we expected we had only ourselves to blame for buying radios, and we had no fees to pay. Surely the government must be seized of the situation; surely the pioneer population of northern Ontario and northern Quebec should receive the same consideration as is shown the rest of the country. Is this the case because there are only one or two members interested in the question? Would it be any different if there were a dozen or two dozen members giving voice to the sentiments of those people? I claim always to have been fair in discussing public matters and questions affecting my section of the country. I know the hon. member for Pontiac (Mr. Belec), who sits opposite, is absolutely with me in this regard, and I am positive that the Minister of Labour (Mr. Gordon) is also with me, because in Haileybury and the rest of his constituency the people are not getting the radio reception to which they are entitled.

I should like to read some brief articles coming from my own part of the country in order that the committee may be fully aware of the exact situation. The first is from the Northland Post of Cochrane, under date of April 11, 1935:

The radio situation in the north remains in the same unsatisfactory condition. Repeated protests on the part of every paper in the north, and efforts on the part of our local member, Mr. Bradette, have so far failed to produce any tangible results. It is time that the radio commission either put up or shut up, in the popular language of the day. Either an honest effort should be made to give satisfactory service, or else the government should exempt radio users in the north from the payment of the annual licence fee. It is neither just nor reasonable to expect the radio users in the north to pay an annual fee to the Canadian government, which is used to furnish programs to certain other sections of the country, when all that we in the north can get satisfactorily are American stations.

This is right to the point, and from a paper in my section of the country. I shall now read to the committee a resolution passed by the New Liskeard board of trade, New Liskeard, Ontario, a point in the constituency of the Minister of Labour (Mr. Gordon). This letter addressed to the Minister of Labour, the radio commission and to myself is as follows:

New Liskeard, Ont., April 3, 1935.

Mr. J. A. Bradette, M.P.,
Parliament Buildings,
Ottawa, Ontario.

Dear Sir:

At the annual meeting of the New Liskeard board of trade held on January 31st, the following resolution re a broadcasting station for northern Ontario was passed:

"That the proposed resolution before the Associated Boards of Trade be followed up. This resolution reads as follows: 'That the dominion government, through the radio commission be requested to establis a radio broadcasting station at some suitable point north of North Bay or Sudbury of such a capacity as will eliminate present interference and give the radio users of northern Ontario and northwestern Quebec the service which is being received by radio owners in old Ontario.'"

Since then other representations to the commission have been made and at a meeting of the executive of the New Liskeard board of trade held on April 1st, the following resolution pertaining to a radio station in the north was passed:

"That the secretary write to the Canadian radio broadcasting commission, Hon. W. A. Gordon, Mr. J. A. Bradette, associated boards of trade and the town council, repeating the motion already placed on the books and conveying to them the information that regardless of representations conveyed to them otherwise, we still maintain that only a broadcasting station of the type described in our motion will satisfy the situation."

Mr. DURANLEAU: Would the hon. member permit a word? As we are anxious to put through some further legislation before the adjournment which will take place tomorrow, may I tell the hon. member that to-

day I am issuing a licence to Kirkland Lake station increasing the power from 100 watts to 1,000 watts, and placing that station on the wave length 530. It is the view of the commission that for the time being this change will give a satisfactory service to northern Ontario. Something better may be done later on, but in the meantime we expect the change will give fairly good service. I make this statement to the hon. member in order to curtail the debate.

Mr. BRADETTE: I wish to oblige the minister in every possible way, because I believe the radio commission and his department are anxious to help my section of the country. I must say however that a 1,000 watt station at Kirkland Lake is not going to remedy the situation. The only redeeming feature in the statement made by the minister is the fact that in the near future something might be done. "Might be done" will not satisfy us, either. For the last three years we have been suffering through lack of service. We have paid the government thousands of dollars for services to which we are entitled. As I said a few moments ago, and as was stated by the hon. member who preceded me, I have no quarrel with the private stations. But surely the government does not expect those private stations to give the service the people may expect. I cannot accept a 1,000 watt station at Kirkland Lake under private jurisdiction, as a permanent solution of the problem. I have no quarrel with the private owners; as a matter of fact the owner of that station is a personal friend of mine. I do say however that this state of affairs cannot remain. May I put this question to the minister? Is it true that during the course of this winter it was the intention of his department to increase the power of a station in Toronto to a point where it would give service to my section of the country, or is it true that the government intended installing a heavy relay station in northern Ontario?

Mr. DURANLEAU: Mr. Chairman, I know the radio commission has before it a program which will implement the report of the committee, and will provide for the installation of a certain number of powerful stations throughout Canada. My recollection is that a station is contemplated for northern Ontario. To answer the hon. member and the hon. member for North Waterloo, however, I must say that we are faced with the matter of expenditures. Until now, under the terms of the act, the radio commission can meet the expenses only through the revenues derived from licence fees. When they have met the expenses in connection with programs wires and so on, there is not very much left for capital expenditure and for the installation of powerful stations. It is only a matter of expenditure. Although we have had this program before us for some time, I did not think it advisable to authorize action, in view of the discussion which is to take place after the recess concerning the future life of the radio commission, as it now exists under the law.

I think the hon. member should be satisfied with the licence I am issuing to-day at Kirkland Lake. If my hon. friend will state positively that my action will not ameliorate the situation, I am quite content to suspend the order for this licence.

Mr. MANION: Hear, hear.

Mr. DURANLEAU: The radio commissioners contend the proposed station will ameliorate the situation, but if the hon. member will take the responsibility, as a representative from that part of the country, to state that what we propose to do would not in any way, shape or form ameliorate the situation, then I am quite content to leave the station at 100 watts, as it has been for the past few years.

Mr. BRADETTE: Of course, I do not believe the minister has the right to make me responsible for such a decision. There is no doubt that the increased power at Kirkland Lake will improve the situation and will improve the reception. I accept it, however, only on one condition—and I am speaking for the people in my section of the country—that the proposed action will be considered as only temporary.

I believe we are practical and logical in our representations. A few moments ago the minister stated that in the near future something tangible would be given to us. Surely his department will not say that a 1,000 watt station at Kirkland Lake would be sufficient for the great area of northern Ontario and northern Quebec. It would be physically impossible for that station to be sufficient. Surely the minister does not say that such a station would give service to the towns of Cochrane, Kapuskasing, Hearst, Timmins, Iroquois Falls, or to other sections of northern Quebec. I will accept the suggestion as a temporary measure but not as a solution. I appreciate what the minister has said, and appreciate his activity. I must urge, however, that what he is doing must be considered only a palliative, and we hope the government may find it possible to give us a strong relay station, a short wave station, or some facilities by which we may receive properly

the programs from the Canadian commission. Surely the people in the northern sections must be classed as Canadians and as such are entitled to Canadian programs. At the present time we are getting programs from Mexico, the United States; even the programs from old England, come in more clearly than do the programs of the Canadian radio commission. I know the minister wishes to be fair, and I make my plea to him sincerely and earnestly. In that northern section of Canada we have a quarter of a million people who have done yeoman work in the development of Canada but who, when they turn the dials of their radios, cannot get the programs of Canadian stations. Surely the minister does not wish that condition to exist. I would gladly accept this little station—and I emphasize the word "little"—which will give only a limited service to a very limited area, on the condition that something further may be done. It would not give service to the population I have just mentioned. I should like the minister to tell me, if it is possible for him to do so, and if he can do so the people in the district will be very thankful, whether we shall before the next one or two years be given the same sort of service that is given in other parts of Canada.

Mr. DURANLEAU: My hon. friend understands the difficulties of the situation. It is admitted by everyone that it is a very difficult district to serve. If ever there was a case where it is proven that there is no political influence in this matter it is in this one, because the Minister of Labour (Mr. Gordon) has been working in conjunction with my hon. friend in order to secure a better service for that district. I know that my hon. friend understands the difficulties of the situation. For the time being we are trying to give some measure of satisfaction, and later on we shall strive to give a better service.

Mr. BRADETTE: Would the minister enlarge on that "later on"? We know when a bill is coming due, but the minister's "later on" is too indefinite, and if we have to wait for years for a better service that would be far too long for us to accept and would be absolutely unfair to our people.

Mr. ROBINSON: I want to make a few remarks in defence of the Windsor station which my hon. friend from North Waterloo (Mr. Euler), who I am sorry is not in his seat, criticizes every year, owing to the fact that his friends did not get the licence that was promised to them before the late government went out of power.

[Mr. Bradette.]

I have no brief for the radio commission, but I want to tell my hon. friend that a licence was granted to the Essex broadcasting station before the radio commission was established. There were two 5,000 watt stations in western Ontario. Now there is one, and there is a 100 watt station at London and a radio commission station. The Windsor station is one of the finest stations on the North American continent; the residents of Ottawa and the residents of the Soo got their best reception from this station. It is not the fault of the Windsor station that their wavelength has been changed three times. First it was 540, which was satisfactory, then it was changed to 840, which was satisfactory, and then it was changed to 1030, which has brought all sorts of confusion.

My hon. friend from North Waterloo said that this station was owned and controlled by the Columbia broadcasting system of the United States. I may tell him that Canadians hold the majority stock in that station, and only within the last few days the Columbia Broadcasting system has cancelled its contract with the Windsor station owing to the poor reception on the new wave length 1030. Before that station was established we were unable in the border cities and in that neck of the woods to get any radio at all except what came through Detroit or Cleveland or some other American station. For some reason or other we cannot get the Toronto or London or Chatham stations. That is an established fact which cannot be disputed.

My hon. friend from North Waterloo was very severe in his criticism and said that there should be an investigation of that station. He insinuated that a scandal would be discovered. I do not know what he wants to investigate, and I am quite sure that the station would welcome an investigation. I do not know what grounds my hon. friend has for making that statement, but whoever gave him his information evidently had not the facts before him. I think I have covered the situation as to the Windsor station, Mr. Chairman. The station there has cost over $150,000 a year and is employing about thirty people. It has been a benefit to our section of the country, and I do not think anyone has any just criticism to make of it.

Mr. MITCHELL: I have listened to the remarks of the hon. members for North Waterloo (Mr. Euler) and West Essex (Mr. Robinson) on the question of radio broadcasting in this dominion. I am not unmindful of the tremendous educational facilities that

are at the disposal of the Canadian radio broadcasting commission, and, notwithstanding the remarks of the last speaker, I have no sympathy with the attitude and the policy of the broadcasting station in the city of Windsor. I think it is a fair observation to make, notwithstanding any opinion to the contrary, that it reflected the broadcasting policy of one of the great American chains, and while that policy may have been changed in the last week or two it has been generally understood that that Windsor station was more or less in the Columbia broadcasting chain.

Mr. EULER: Entirely.

Mr. MITCHELL: Entirely, if you will. I am prepared to go that distance, and it was because of the lack of channels that existed in the country to the south of us. When the Canadian radio broadcasting commission was set in motion there was the driving force of the unanimous opinion of members of this House of Commons behind it for the purpose of reflecting the viewpoint of the Canadian people. We wanted a system developed that would reflect the viewpoint of the people of this dominion. Taking into consideration the limited vision of the average member of this House of Commons, the purpose was the inculcation of the basic philosophy of the Canadian people, expressed in the message carried over the air by the Canadian radio broadcasting commission. Recently the Prime Minister made a number of speeches over the Canadian radio commission system, and I have no quarrel with that. Nor have I any criticism to offer of the opinions expressed by the Prime Minister. Being a labour man, believing in a democracy, and having a very fixed opinion that the progress of civilization has been in proportion to the freedom of its institutions, I say I have no quarrel with a policy that permitted the Prime Minister, because of his financial ability to use the facilities of the Canadian radio commission, to broadcast his message to the people of Canada. I only wish that the leader of the opposition could do the same thing, and that the leader of the polyglot Cooperative Commonwealth Federation could also do the same; but that opportunity should not be predicated upon their financial ability to use the facilities of the Canadian radio commission. I think that that financial obligation should rest upon the people of Canada. I think that the leader of the government, the leader of the opposition, and the leader of the Cooperative Commonwealth Federation, and incidentally the leader of the Labour party, which is myself at the moment because I am the only one left here, should be free to enunciate their philosophy to the people through the instrumentality of the Canadian radio broadcasting commission without incurring the disability of the financial obligations that go with it.

Let me say this very frankly—and it is just as well that I should say it because it is my opinion. I still think that there are a number of points of view which we are obliged to take into consideration. There are for instance the points of view of the two major political parties. There is the view of those who feel that they reflect the opinion of the farmers and again there are members of the House of Commons who have not reached the stage where they are ashamed to call themselves labour men. I do not want to say anything in the spirit of criticism, because after all the right to differ is the driving force of our civilization; indeed, it is the greatest contribution which the Anglo-Saxon race has made to the science of government throughout the history of the world. That contribution is the right of men to hold different views even though they may call one another names in passing. I have passed through the last four years in this House of Commons and, so far as I am concerned, the reduction in wages and salaries of civil servants is something that I opposed from the first, whereas some members of the Co-operative Commonwealth Federation took exactly the opposite position. Well, I have no quarrel with them on that score, but there you have a fundamental difference in this so-called political party which is supposed to reflect the new Utopia that will exist in this country. I have no quarrel with my good friends the farmers. They have been under the tremendous pressure of a fall in the price level in this and every other country and naturally they felt that if the farmers had to suffer a reduction in their remuneration, as indicated by that decline in price levels, other people should do the same. I took the opposite view; I regretted that anyone should have thrown sand into the machinery. In this regard I want to pay my compliments to the hon. member for Antigonish-Guysborough (Mr. Duff), who supported me in that argument. I have always held the view that if low wages were an essential part of any government policy then the only thing for the people to do would be to emulate the Chinese and the people of India and walk around in their bare skins, and we should all be rich. Again, with respect to the hours of labour, it has not been possible in this corner to get sufficient votes to reflect the point of view of the Canadian people

on the absolute necessity of reducing the hours to meet the problems that inevitably face this country. I do not wish to point out any fundamental weaknesses in this so-called new political party, but I do want to point out to the government that, with the power which they can exercise, it should be possible in the next election for the leaders of the respective avenues of thought in this dominion to express their views over the radio, free from the financial restrictions that otherwise hamper them. They should be able to broadcast the views of the people of Canada without being obliged to make any financial contribution to the broadcasting facilities of Canada. Radio users throughout the country are called upon to pay an annual licence fee of $2 towards the maintenance of the Canadian Radio Broadcasting Commission, but I think it would be a wise policy if the political leaders were allowed the use of the radio during an election. I have always contended that all our British institutions are predicated upon an appeal to reason rather than to prejudice, and that appeal should not be made to rest upon the financial resources of any party that desires to express its views on the floor of the house—views that are held by any section of the Canadian people. We are entering upon a general election in which various points of view will be presented to the people and it would be wise, in my opinion, to regard the speeches of the different political leaders, not from the point of view of party politics but as individual contributions to the political education of the nation. These broadcasts should be regarded as a public service, on the same footing as we treat our schools at the present time, and the philosophy of any political party should not be made dependent upon its ability to meet the financial obligations of the broadcasting system of the country. In this respect I think the authorities here might take a leaf out of the book of the National Broadcasting Company and of the Columbia Broadcasting Company in the United States and regard the speeches of our political leaders in the next election as a contribution to the political education of the people. It should not be predicated upon the ability of the respective leaders to draw upon campaign funds.

Mr. RALSTON: Regardless of the method of administration whch may be finally decided upon by the government in the interim between now and the time when the projected legislation is brought down, I wish to direct to the attention of the minister the situation in western Nova Scotia. As pointed out to me, western Nova Scotia is not getting the benefit of a proper radio service. I have before me a letter which was published in the Halifax Chronicle of April 9, from a citizen of western Nova Scotia, which I understand was sent in to the department:

> I have your notice that my licence fee for $2 is due. I have always been ready and willing to pay my radio licence and was in favour of dominion control of radio but the government has not given us, in the maritimes, the service it professed to tax us for. I have been paying my tax for years but I get nothing in real program service from your department. I shall, therefore, pay my tax under protest. The radio commission's programs, especially at night are no good to us, whatever, in these maritimes. Apart from the terrific local noises that are set up we are overwhelmed by powerful stations from outside Canada or so "jammed" that there is nothing but a howl through our Canadian station.

I want to register with the minister if I can an emphatic request that something be done to improve the radio situation in the western portion of our province. I brought the matter to the attention of the chairman of the radio commission on several occasions. He has assured me that some steps of that kind are being taken, but nothing is done and the situation portrayed in the letter from which I have just quoted is confirmed by a letter which I received only yesterday from my own constituency and which intimates that they are not getting in that section the service for which they are paying. I want to point out to the minister, as I have done to the chairman of the radio commission, that the agency through which better service can be rendered to western Nova Scotia is station CJLS, established at Yarmouth considerably over a year ago, a station, as I understand from those who know, with most modern equipment, up to date, well managed by people who know their business technically and by people who are putting on excellent programs. That station could serve western Nova Scotia well. A licence was granted to it by the radio commission, but so far it has been refused arrangements whereby it can handle the Canadian commission's programs. The result is that in the evenings at a time when radio listeners want to have that service, they do not get the benefit of the good service from Halifax or Saint John, because those stations are blurred as they come in. All they get is the good and bad programs from the United States stations, and their own station, CJLS has only the local programs which are excellent but which should be supplemented by outside programs. Listeners in that section of the country are paying their fee of $2 and are not getting any value

for their money. The minister may expect that those citizens will protest very vigorously against continuing to pay licence fees supposedly for the purpose of keeping up a Canadian radio commission and having supplied to them Canadian commission programs when they are not getting this service because the commission declines to make the necessary arrangements to have this efficient station handle their programs. I bring this to the attention of the minister and urge upon him, as I have urged upon the chairman of the commission, a right-about face and a recognition of the rights of the citizens of Western Nova Scotia and the ability of station CJLS to serve them. I believe a local station of this kind, which is well equipped and well run, not a makeshift or cheap station in any sense, should be encouraged. The people who have established it are enterprising and capable. Apparently that portion of Nova Scotia is peculiarly situated so far as atmospheric conditions are concerned. Nobody knows less about the technical side of radio broadcasting than I but I understand that on account of geographic or atmospheric conditions it is difficult to get stations at Montreal or Toronto and after Halifax and Saint John. Therefore there is need for a local station, and I urge the minister in the interim between now and the time when the legislation is brought down, to give favourable consideration to this matter. The commission has had the strongest representations not only from station CJLS but from more than one thousand radio listeners-in who sent in a petition some time ago pointing out the deficiencies in the present service and praying that arrangements be made whereby the commission's programs be handled by that well equipped and efficient station CJLS.

Mr. CASGRAIN: From the discussion that has grown out of this bill and the various criticisms we have heard from all sides of the house, I think if anybody had any doubt as to the merits of the case and the work that has been done by the commission since its inception, he will be satisfied to-day that the commission has not lived up to expectations. If anybody had any doubt that the commission was going to remain long in existence, from the speeches that have been made to-day I think we are justified in saying that this bill which has been brought before the house sounds the death knell of the commission. I for one would not be willing to allow this bill to go through had we not had a certain kind of intimation or assurance from the government of the day that within the next month or two we are to have a new piece of legislation, a new way of controlling this commission, which apparently has not been doing what it was created to do or develop.

I agree entirely with the remarks that have been made by the hon. member for Quebec East (Mr. Lapointe) and the hon. member for North Waterloo (Mr. Euler). All that they have said is quite true. So far as the part of the country from which I come is concerned, I agree also to a large extent with the remarks made by my deskmate, the hon. member for Shelburne-Yarmouth (Mr. Ralston). I have had on many occasions to point out to the members of the commission the difficulty experienced by some of the people in outlying districts of my constituency of Charlevoix-Montmorency and further down along the coast in getting any station and having the advantage of certain good programs. On these occasions the answer has been that the commission would have to spend huge amounts to erect the powerful stations necessary to keep from coming into this country what was called at that time the bootlegging radio business that used to come in from the United States and Mexico.

Apparently at the present time the commission is working under certain disadvantages, and I realize that. But it was a huge undertaking, and I do not think before this government took office anyone ever visualized the creation of such a commission that would go into the field of broadcasting operations, doing the same kind of business as some of the private institutions are doing. We have it to-day on the authority of the hon. member for North Waterloo that instead of decreasing the number of these stations and getting them coordinated, we have had the number of private stations increased from forty-nine to fifty-nine. This all goes to prove that while the government might have been well intentioned at the time they started building up this commission, they have missed their aim and have not been successful in giving satisfaction to the Canadian public from coast to coast.

As to what has been said about those who were members of the commission, I think in the beginning from the point of view of our province some better choice might have been made. It was said in connection with the persons from our province who were appointed to the commission, that they were men connected with political organizations. Some have tried to say that they were not, but one gentleman was a candidate running against me in the last general election, and another, although the contrary may be stated, was assistant to the chief organizer of the author-

ized body of the Conservative party in Montreal when the elections were going on in that district. Although those gentlemen are amiable and apart from politics may be quite estimable, we cannot expect other than political patronage when the question of administering such a big commission as this arises. From the remarks made in the house to-day from all corners we learn—and the hon. member for North Waterloo has so stated—that there has been on many occasions quite a little bit of political patronage and advantage given this way or the other, on this side or on that, to favour certain districts against others.

Another matter that has been repeatedly pointed out to me in the city of Montreal, where I live and practise law, is that in the direction of programs and also in the selection and hiring of the services of some artists, there has been in some instances discrimination. Some of them have been favoured as against others who might have had just as good or as valuable talents, but who could not get a hearing because they did not seem to be able to interview the personnel of the commission as well as others would appear to be able to do. It is pretty hard to get concrete cases in point and written documents or information as to these facts, because the persons concerned were not willing at the time to disclose the facts, being afraid that later on, should they have a chance to be employed by other companies to do broadcasting elsewhere, they would be debarred and prevented from having a chance to make a living.

Another feature which is in the mind of the people generally is that the commission has cost a great deal of money, and also that some of the expenses, such as travelling expenses of the chairman and members of the commission, have been very great and out of proportion. It has been stated to me many a time that such expensive trips were taken by the commission. I have not in mind all the places to which they went, but for instance about a year ago I understand a trip was taken by some members of the commission to Newfoundland. I would like to know what they had to do there, what they could learn there regarding better administration of radio broadcasting in Canada. Possibly we had something that Newfoundland could learn, but I do not think it was in the interests of the commission to send the members there. And I was told on good authority that those trips and excursions cost a lot of money. Before sitting down I would ask the minister, who although he disclaims being in charge of the commission is responsible for it in the house, to tell me how I could obtain,—for I should like in all sincerity to obtain it before the passage of this bill,—a statement of all the expenses of all the commissioners each year since they have been appointed, and where they have been and the cost in detail. I think the house ought to know this. I say that because it is in the minds of the people, the country wants to know it, and the house is entitled to have an account of those expenses. I do not know if the government would like to appoint a committee by which this matter could be investigated. There was a committee last year or the year before which dealt with the organization of the commission, but I am not aware that these facts were disclosed. In order to set right complaints that have been made, before the bill passes we should have a detailed statement of the expenses of the commissioners for all their trips.

Mr. HANSON (Skeena): Last year when I first approached the minister in an effort to get some information regarding the radio commission, I was ruled out of order. Then I tried to get some information as to the expenditure of the commission, and its workings, but was informed that they were not responsible to any minister or anybody and the information could not be had. Then the leader of the opposition consulted with the Prime Minister and I got some figures as to the expenses of the commission, but these figures I am not able to understand. I have also consulted several auditors and they are of the same opinion. So the hon. member who asked for a statement as to the expenditure of the commission certainly has my hearty support.

As far as British Columbia is concerned, as I was trying last year to explain to the committee, we are forced to pay two dollars for a licence, and something like seventy thousand licences were paid for last year in British Columbia. But there are hundreds of people who do not pay the licence fee, and those who are paying protest because they are unable to hear any Canadian program. I have a radio in Prince Rupert and I have one three hundred miles inland where I have my summer home, and I have been unable yet to get a Canadian radio commission program on either of them. It may be that my sets are not up to date, but I am trying to get the best there is. I understand that the minister intends to improve the station in Vancouver, and I am very glad to hear that. In my room here I have dozens of letters complaining about this radio situation in British Columbia, and especially in the outlying parts. If we are to keep on paying a licence fee to the commission we are at least entitled to have Canadian programs; if that is impossible I think we should not have to pay the licence fee. I hope that

when the bill is brought before the house consideration will be given to these complaints, and I plead especially for the part of the country which I represent and know something about.

Mr. DURANLEAU: In answer to the three hon. members who have spoken last, let me say that at the present time I do not intend to answer on behalf of the radio commission all the complaints and charges which have been made before this committee. To-morrow this house will adjourn, and we have important legislation which we would like to put through before to-morrow evening. At the present time we are only asking the extension of the life of the commission for two months. The questions raised to-day will be taken up again when the estimates come before the committee. We do not admit the charges made, but we do not propose to answer them now except to say that the policy of imposing a licence fee on radio owners is not our policy; it is the policy of my hon. friends. When we came into power citizens who owned radios had to pay the licence fee. As to the lack of coverage, I have already stated that the radio commission has a program of construction including a certain number of powerful stations, one in Vancouver, one in the eastern provinces, and at other places where the service is found to be poor, and it is hoped this will give entire satisfaction. But it involves expenditure, and I can state to the committee that the amount collected for radio licence fees was not sufficient to allow the commission to build powerful stations. This matter will be brought before the house after the recess; another bill will be introduced or the matter will be referred to a committee and the whole question will be debated at length to the satisfaction of my hon. friends. What we ask at the present time is to let the matter stand. The extension is only for two months, and ample opportunity will be given to every hon. member to satisfy his constituents when the matter comes up again after the recess.

Mr. LAPOINTE: I just want to say one word, and I need not apologize for it. We sympathize with the minister and the government in their desire to expedite certain legislation which needs to be expedited—

Mr. DURANLEAU: In the interests of the country.

Mr. LAPOINTE:—but it will be admitted that we are not responsible for the fact that we are going home for five weeks. I want to impress upon the government, since they are going to consider this question during the recess and there is the possibility of another bill being introduced, to give consideration to the suggestion of my hon. friend from East Hamilton (Mr. Mitchell) that on the publicly owned stations the leaders of the various political parties in parliament should be free to speak and set forth their views to the people of Canada. It is all very well to say: Let them pay for it; but that places those who have not financial means at their disposal in a position of inferiority. It does not seem quite fair that these publicly owned stations, organized for the people of Canada and paid for by the taxes of all people, not only the money received through the sale of radio licences but the taxes used in the ordinary way to pay any deficits resulting from the administration of the service, should be used only by public men who can afford to pay for the privilege, of broadcasting their views to the people of Canada.

Sir GEORGE PERLEY: I do not want to interrupt my hon. friend; I am interested in what he is saying, but I should like him to explain on what basis he would divide the time, between how many parties and how many leaders, and in what proportion.

Mr. LAPOINTE: It cannot be more difficult here than it is in the old country. I remember discussing the matter last year with Sir Herbert Samuel at the home of my right hon. leader, and that gentleman told us what has been done in England. There they have allocated part of the time to the various political parties, not only during election campaigns but all the time. I do not know whether they speak once a week, once a fortnight or once a month, but it is being done. Sir Herbert Samuel told me, for instance, that Mr. Winston Churchill tried to claim the right to speak as well as the leaders, because he thought he was the leader of a party consisting of himself, but his claims were not recognized. There are certainly in this country three parties which are well defined; perhaps there are four or five, but those gentlemen can arrange among themselves as to who should speak for them. Perhaps the ex-Minister of Trade and Commerce would claim to be a leader, too. At any rate I think we might arrange that at least three leaders should have the privilege of speaking over the radio.

Mr. COTNAM: Why not the hon. member for Témiscouata?

Mr. LAPOINTE: Possibly, and at times the hon. member for North Renfrew might qualify for a kind of leadership. The commission are paying the artists who entertain the radio listeners. Well, I think the public of Canada would enjoy listening to the

addresses of all the political leaders, and I am sure they would not charge anything for delivering those addresses.

Mr. CHAPLIN: The listeners would not pay anything, anyway.

Mr. LAPOINTE: And they should not be made to pay. I think perhaps some would pay to listen to my hon. friend from Lincoln, who is very interesting at times.

Sir GEORGE PERLEY: I should like to say just one further word, Mr. Chairman. As I have said, I am very much interested in the suggestion put forward by the hon. member for Quebec East. I am not speaking for the government at all, but in my personal view it would be a very good thing indeed if some arrangement could be made for the use of the radio at election time by the various parties. I have thought it over, however, and I cannot think of any way in which we can divide up the time and have it satisfactory to everybody. I am not unmindful of the criticism of the radio commission that has come from many quarters, but I wish to remind the committee again that their task has been exceedingly difficult. To my mind that task, however, is an easy one compared with what would be necessary if my hon. friend from Quebec East should present a plan dividing up part of the time among the various political parties. My own impression is that he would receive nothing but criticism after he finished with that arrangement.

I was greatly interested in the remarks of my hon. friend from North Waterloo (Mr. Euler), who is always worth hearing in regard to matters of this kind. The hon. member is greatly in favour of public ownership. Many difficulties have confronted the radio commission, but I still feel personally that we ought to be able to carry on this service by a commission. How it can be done I am not at present in a position to state—

Some hon. MEMBERS: Oh, oh.

Sir GEORGE PERLEY: I admit that quite frankly. There are sections of the country to which it is impossible to give good service under present conditions. To provide only five or six powerful stations, as my hon. friend suggests, would mean wiping out all these private stations, which no one would suggest unless they received some consideration.

Mr. EULER: That would not need to follow.

[Mr. Lapointe.]

Sir GEORGE PERLEY: I suppose it would eventually. Certainly the local difficulties in various parts of Canada are extremely hard to avoid and overcome. However, all I can say is that the purpose of this bill is simply to lengthen the life and authority of the commission for two months. The Prime Minister will be here when we meet again and in the meantime this question will be given consideration. I did not state that any new arrangement would be made, as one hon. member suggested; I simply stated that the whole matter is under careful consideration. Therefore I would ask the committee to pass this bill.

Section agreed to.

Title agreed to.

Bill reported, read the third time and passed.

CANADIAN FARM LOAN ACT

CONSIDERATION OF SENATE AMENDMENTS

The house resumed from Monday, April 15, consideration of the amendments made by the senate to Bill No. 15—Mr. Rhodes—to amend the Canadian Farm Loan Act.

Mr. SPEAKER: Is the house ready for the question? Mr. Rhodes moves:

That all the amendments proposed by the senate to Bill No. 15, an act to amend the Canadian Farm Loan Act, be concurred in with the exception of amendments Nos. 13 and 14, in which amendments this house does not concur for the following reason:

That farm property being at the present time at its lowest value, a total advance of sixty-six and two-thirds per cent of the appraised value of a farm would secure a much smaller loan than would have been secured at fifty per cent valuation a few years ago.

And that a message be sent to the senate to acquaint their honours therewith.

Mr. REID: May I ask the minister if it is understood that all the amendments are to be discussed in committee?

Mr. RHODES: No, we do not go into committee.

Mr. GARLAND (Bow River): We are voting on this motion only?

Mr. RHODES: Yes.

Mr. GARDINER: I was under the impression that yesterday there was an understanding in the house, by unanimous consent, that we should go into committee and consider these amendments seriatim.

Mr. RHODES: No. I said that as far as I was concerned I would offer no objection if, by unanimous consent, the house decided to go into committee, but unanimous consent

was not given. Now we are at a period when we have only six sitting hours left, and under the circumstances I think it only right that we should adhere to the practice that has formerly obtained with respect to amendments of this kind. I think the motion should stand as it is.

Mr. REID: I think this procedure is unfair, because last night it was stated that this bill would be considered first to-day. That was not done. When we adjourned last night we understood that this matter was to be debated after the house opened this afternoon.

Mr. GARLAND (Bow River): And the same thing happened yesterday.

Mr. BOTHWELL: Before the motion is put I should like to say a few words with regard to some of the amendments made by the senate. It would appear to me that the substitution of the new section 8 is going to prejudice every municipality and every municipal government. I believe the provinces will have to take some action in order to see that this bill is not put into effect in their respective provinces, if the measure passes with the amendments as at present drafted. It is my view that the house should be allowed to go into committee on the bill and that hon. members should have some explanation from the minister as to the meaning of the new section 8.

Mr. MACKENZIE (Vancouver): I am in agreement with the remarks of the hon. member for Swift Current (Mr. Bothwell). May I observe that I am simply amazed at the attitude taken by hon. members in the far corner of the chamber who now object to this very important piece of legislation, but who voted for an adjournment of five or six weeks.

Mr. VALLANCE: In view of the importance of the amendments suggested by the senate I believe this house should not be expected to accept them without first having the opportunity of discussing them in committee. The hon. member for Swift Current has pointed out the position in which the municipalities will find themselves. In one of the substituted sections I find the expression, "notwithstanding any law, whether statute or other, now in force or which hereafter may be in force in any province."

Mr. RHODES: That is in the present act.

Mr. VALLANCE: Yes, I know it is. This is one provision against which I protest most vigorously, and against which I raised my voice previously. There have been exemption laws in some of the provinces, and I do not think the Canadian Farm Loan Act is worth the giving up of those laws. I was of the opinion that we should go into committee. It is impossible for me to state my objections unless we go into committee, because I have many questions I should like to ask the minister.

Mr. GARDINER: First of all, may I say—

Mr. MACKENZIE (Vancouver): Order. The hon. member has spoken.

Mr. SPEAKER: That would be true, if the house wished to hold to the strict rule. I believe however that the hon. member for Acadia merely asked a question, and proceeded somewhat along the lines followed in the informal debate which took place last evening. With unanimous consent, I suggest he be allowed to continue.

Mr. GARDINER: I thank you for your ruling, Mr. Speaker. On the former occasion I merely put a question to the Minister of Finance, and that was all; I did not make a speech. May I say first of all that the remarks of my good friend from Vancouver Centre are not worthy of consideration, so I shall pass on to something else.

My greatest objections to the amendments have been voiced by the hon. members for Swift Current (Mr. Bothwell) and South Battleford (Mr. Vallance). If these amendments are accepted, and more particularly the amendment which takes away the protection the farmers now have under provincial legislation, and the provision the effect of which is that when mortgages are placed upon farms, municipalities and school districts will not be able to collect taxes, then I must seriously object to this legislation.

I am sorry the Minister of Finance did not carry out what hon. members understood to be the agreement made yesterday, namely that we would move into committee to discuss the amendments seriatim. However, inasmuch as he has taken a different attitude I shall be content to point out the difficulties which many of us from western Canada who have had experience in municipal work have encountered in connection with the collection of taxes, in so far as loans under the soldier settlement board were concerned. I was reeve of a municipality for several years before coming to parliament, and as such was closely connected with municipal work. Then and since that time I have known of many school districts in which a large portion of the lands were held by

returned soldiers operating under the soldier settlement scheme. It was found almost impossible to give education to the children in those areas because of the inability to collect taxes. The scheme under the present measure will be much larger and more ambitious than was the soldier settlement scheme, and, if the farmers take advantage of it, will eventually apply to many more farms. Consequently it will be very difficult for the municipalities and school districts to operate, if the land in question is not to be subject to provincial law when mortgages are placed upon it. So far as I am concerned I shall vote against the amendments not only because of the objections I have raised but because of further objections I have not stated.

The house divided on the motion (Mr. Rhodes) which was agreed to on the following division:

YEAS

Messrs:

Anderson (Toronto-High Park)
Arsenault
Arthurs
Baker
Barber
Barrette
Bourgeois
Bowen
Bury
Chaplin
Church
Cowan
Dickie
Dorion
Dupré
Duranleau
Edwards
Ernst
Fraser (Cariboo)
Gobeil
Hackett
Hanson (York-Sunbury)
Kennedy (Winnipeg South Centre)
Macdonald (Kings)
MacMillan (Saskatoon)
MacNicol
McGibbon
McGillis
McGregor
McLure
Matthews
Morand
Mullins
Myers
Neill
Peck
Pickel
Price
Quinn
Rhodes
Robinson
Shaver
Short
Simpson (Simcoe North)
Smith (Victoria-Carleton)
Smith (Cumberland)
Sproule
Stanley
Stewart (Leeds)
Stinson
Stirling
Stitt (Nelson)
Stitt (Selkirk)
Sutherland
Swanston
Tétreault
Thompson (Simcoe East)
Turnbull
Weese
Weir (Melfort)
White (Mount Royal)
Wright—62.

NAYS

Messrs:

Bertrand
Bradette
Carmichael
Coote
Desrochers
Duff
Elliott
Ferland
Gardiner
Garland (Bow River)
Golding
Hall
Hanson (Skeena)
Howden
Ilsley
Irvine
Jean
Kennedy (Peace River)
Luchkovich
Mackenzie (Vancouver Centre)
McIntosh
McKenzie (Assiniboia)
McKinnon
McPhee
Moore (Ontario)
Motherwell
Mulock
Parent
Perras
Power
Ralston
Reid
Rennie
Rhéaume
Speakman
Spencer
Totzkze
Veniot
Verville
Weir (Macdonald)—40.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Anderson (Halton)
Baribeau
Beaubier
Bell (Hamilton)
Bell (St. Antoine)
Bell (St. John-Albert)
Bennett
Beynon
Boyes
Burns
Cahan
Cantley
Casselman
Charters
Cotnam
Duguay
Embury
Esling
Fortin
Gagnon
Ganong
Garland (Carleton)
Geary
Gordon
Gott
Guthrie
Harris
Johnstone
Jones
Larue
Laurin
Lawson
MacDonald (Cape Breton)
McDade
Maloney
Manion
Moore (Châteauguay-Huntingdon)
Murphy
Perley (Qu'Appelle)
Perley, Sir George
Pettit
Plunkett
Ross
Rowe
Ryerson
Sauvé
Senn
Simpson (Algoma)
Smoke
Spence
Factor
Beaubien
Ahearn
Mercier (St. Henri)
Raymond
Dubois
King
Euler
Mills
Butcher
Rinfret
Cardin
Howard
Blair
Hurtubise
Dumaine
Bothwell
Hanbury
Fafard
Boulanger
Michaud
Goulet
Mercier (Laurier-Outremont)
Fiset, Sir Eugène
Rutherford
Lapointe
Jacobs
Donnelly
MacLean
Thauvette
Fontaine
Gray
Urquhart
Dupuis
Young
Chevrier
Dubuc
Stewart (Edmonton)
Munn
Marcil
Bouchard
Campbell
Roberge
Lacroix
Taylor
Séguin
Sanderson
Casgrain
Pouliot
Fraser (Northumberland)

Spotton	MacMillan (Mackenzie)
Stevens	Malcolm
Sullivan	Brasset
Tummon	St-Père
Wilson	Vallance
Willis	Brown
Laflèche	Girouard
White (London)	Gershaw.

Mr. GOTT: I was paired with the hon. member for Kent, Ontario (Mr. Rutherford). Had I voted I would have voted for the motion.

Mr. CAHAN: I was paired with the hon. member for St. James (Mr. Rinfret). Had I voted I would have voted for the motion.

Mr. CASSELMAN: I was paired with the hon. member for Sherbrooke (Mr. Howard). Had I voted I would have voted for the motion.

Mr. SMOKE: I was paired with the hon. member for Témiscouata (Mr. Pouliot). Had I voted I would have voted for the motion.

Mr. HARRIS: I was paired with the hon. member for Cartier (Mr. Jacobs). Had I voted I would have voted for the motion.

Mr. COTNAM: I was paired with the hon. member for Nipissing (Mr. Hurtubise). Had I voted I would have voted for the motion.

Mr. SIMPSON (Algoma): I was paired with the hon. member for Charlevoix-Saguenay (Mr. Casgrain). Had I voted I would have voted for the motion.

Mr. RYERSON: I was paired with the hon. member for Norfolk-Elgin (Mr. Taylor). Had I voted I would have voted for the motion.

Mr. GORDON: I was paired with the hon. member for Rimouski (Sir Eugène Fiset). Had I voted I would have voted for the motion.

Mr. MANION: I was paired with the hon. member for Ottawa (Mr. Chevrier). Had I voted I would have voted for the motion.

Mr. SPENCE: I was paired with the hon. member for Northumberland, Ontario (Mr. Fraser). Had I voted I would have voted for the motion.

Mr. WHITE (London): I was paired with the hon. member for Medicine Hat (Mr. Gershaw). Had I voted I would have voted for the motion.

Mr. ANDERSON (Halton): I was paired with the hon. member for Toronto West Centre (Mr. Factor). Had I voted I would have voted for the motion.

Mr. GEARY: I was paired with the hon. member for Laurier-Outremont (Mr. Mercier). Had I voted I would have voted for the motion.

Mr. BUTCHER: I was paired with the hon. member for Portage la Prairie (Mr. Burns). Had I voted I would have voted against the motion.

Mr. ESLING: I was paired with the hon. member for Vancouver-Burrard (Mr. Hanbury). Had I voted I would have voted for the motion.

Mr. PORTEOUS: I was paired with the hon. member for Southeast Grey (Miss Macphail). Had I voted I would have voted for the motion.

Mr. MOORE (Châteauguay-Huntingdon): I was paired with the hon. member for Chicoutimi (Mr. Dubuc). Had I voted I would have voted for the motion.

Mr. STEWART (Lethbridge): I was paired with the hon. member for Winnipeg North (Mr. Heaps). Had I voted I would have voted for the motion.

Mr. BOTHWELL: I was paired with the hon. member for Hastings-Peterborough (Mr. Embury). Had I voted I would have voted against the motion.

Mr. BRASSET: I was paired with the hon. member for St. Ann (Mr. Sullivan). Had I voted I would have voted against the motion.

Mr. DONNELLY: I was paired with the hon. member for Cape Breton North-Victoria (Mr. Johnstone). Had I voted I would have voted against the motion.

Mr. DUBOIS: I was paired with the hon. member for St. John-Albert (Mr. Bell). Had I voted I would have voted against the motion.

Mr. SAUVE (Translation): If I were not paired with the hon. member for L'Assomption (Mr. Séguin), I would have voted for the motion.

Mr. LAURIN (Translation): I was paired with the hon. member for Saint-Hyacinthe (Mr. Fontaine). Had I voted, I would have voted for the motion.

Mr. GAGNON (Translation): I was paired with the hon. member for Bellechasse (Mr. Boulanger). Had I voted, I would have voted for the motion.

Mr. LAFLECHE (Translation): I was paired with the hon. member for Drummond-Arthabaska (Mr. Girouard). Had I voted, I would have voted for the motion.

Mr. FAFARD (Translation): I was paired with the hon. member for Lévis (Mr. Fortin). Had I voted, I would have voted against the motion.

Mr. BOUCHARD (Translation): I didn't vote in the absence of the hon. member for Welland (Mr. Pettit). Had I voted, I would have voted against the motion.

Mr. DUPUIS (Translation): I was paired with the hon. member for Northumberland (Mr. McDade). Had I voted, I would have voted against the motion.

Mr. DUBOIS (Translation): I was paired with the hon. member for Saint-John-Albert (Mr. Bell). Had I voted, I would have voted against the motion.

Mr. THAUVETTE (Translation): I was paired with the hon. member for Matane (Mr. Larue). Had I voted, I would have voted against the motion.

Mr. DUMAINE (Translation): I was paired with the hon. member for Lake St. John (Mr. Duguay). Had I voted, I would have voted against the motion.

Mr. GOULET (Translation): I was paired with the hon. member for Carleton (Mr. Garland). Had I voted, I would have voted against the motion.

Mr. BRASSET (Translation): I was paired with the hon. member for St.-Anne (Mr. Sullivan). Had I voted, I would have voted against the motion.

Senate amendments, with the exception of amendments Nos. 13 and 14, concurred in.

At six o'clock the house took recess.

After Recess

The house resumed at eight o'clock.

PRIVATE BILLS

SECOND READING

Bill No. 57 for the relief of Albertine Roberte Montpellier de Beaujeu—Mr. Bell (St. Antoine).

[Mr. Laurin.]

CLARENCE MACGREGOR ROBERTS

Mr. W. G. ERNST (Queens-Lunenburg) moved that the Speaker do now leave the chair for the house to go into committee on Bill No. 43, for the relief of Clarence MacGregor Roberts.

Mr. J. L. BROWN (Lisgar): I think it is a matter of regret that this motion has been made, that the Speaker do now leave the chair for the house to go into committee of the whole on this particular bill. This bill, as the house knows, has come to us from the senate. The senate passed the bill granting the divorce. According to the usage of this house the bill came to the private bills committee of this house and that committee saw fit to report the preamble not proven. I say it is regrettable that the bill has come back to the house, and I make that statement for a number of reasons. One reason is that it is a private bill and will occupy the time of the house for an hour, thus preventing the discussion of public bills. It will hold its place on the order paper until finally disposed of. There is reason to believe that this bill will occasion a good deal of debate not only on the motion that the Speaker leave the chair but in committee of the whole, if it should go there. I think it would be very unfortunate if we had to consider this bill on the floor of the house and discuss the evidence that was brought before the committee. It is not desirable that this should be done if it can possibly be avoided, and in what I say to-night I shall not refer, except to a very brief extent, to the evidence that was given and certainly not at all to those things which might seem to be objectionable. I shall object for certain other reasons. I repeat, it is very unfortunate that this bill has come back to this house for it will introduce on the floor of the house a matter which we might well avoid.

It will be pointed out of course that the bill has had the sanction of the senate; that is true. But it should also be pointed out that the bill when it was before the senate committee carried by a majority of four to three, and that in itself indicates that there was good ground for difference of opinion in the matter, and good ground at least for the private bills committee taking the position they did. The charge has been made that the members of the private bills committee did not familiarize themselves with the evidence, but that is not in accordance with the facts. I have reason to know that many members of the private bills committee who opposed this bill did familiarize themselves with the evidence. I think it is unfortunate

also that a certain member of the senate committee—and I might refer to him here since he has seen fit to discuss the matter and give it publicity—has followed the course he has. I know that under ordinary circumstances we are not allowed to refer to what has taken place in the senate; but when the chairman of the senate committee saw fit to give an interview to a Winnipeg newspaper, throwing reflections on the members of the private bills committee—

Mr. SPEAKER: The hon. member should not refer to what has taken place in the upper house.

Mr. BROWN: I am referring to what a member of the senate committee said to a Winnipeg newspaper.

Mr. SPEAKER: It is clear that no reference should be made to proceedings in the upper house.

Mr. BROWN: I bow to your ruling, Mr. Speaker, but it does seem to me that when the chairman of the senate committee sees fit to give to a Winnipeg newspaper an interview in which he casts reflections on a committee of this house I cannot be very far out of order in referring to what he has said.

Mr SPEAKER: Will the hon. gentleman pardon me? I was looking at the rule when he was referring to the statement made by the chairman of the senate committee; I did not know that he was referring to an article in the press or an interview which is an entirely different matter. I was speaking of proceedings in the other house when I requested the hon. member to refrain from making any reference thereto.

Mr. BROWN: I have no intention of referring to anything that was said in the senate, but I think I am in order in referring to what the chairman of the senate committee said in an interview given the press. In that interview he cast reflections on the private bills committee of this house, indicating that we had not sufficiently studied the evidence, had not been reading it, and therefore should not reverse the finding of the senate committee. Now it is a matter of procedure that seems to be accepted in this house that when these bills come from the senate and get their first and second readings they are referred to the private bills committee. That seems to be the regular procedure, and if it is not competent for the private bills committee of this house to review the evidence and pass judgment in accordance with that evidence, then the whole thing becomes a farce and we might as well drop the procedure altogether.

So far as the evidence is concerned, I can assure the house that I read it myself and I know that other members of the committee read it; and when we bear in mind the fact that the bill passed the senate committee by a majority of four to three, then there is no good ground for criticism of the private bills committee because they saw fit, by a majority of eighteen or nineteen to nine, to reverse the finding of the senate committee. As I said at the outset, I do not want at this stage to go into certain features of the evidence but I do wish to refer to one fact and that is that the evidence proved that this man who is seeking the divorce from his wife at one time connived with his wife to secure a divorce, to the extent that he obtained for her a railway pass to Reno. I think he was an employee of the Canadian National Railways and he may not have bought it; anyway he got it for her. Later, realizing the position in which he had put himself by appearing to connive, he withdrew the pass and then, as I understand the matter, made a pretence of objecting to her going to Reno. This of course was a foolish procedure under any circumstances. But it indicated that he was willing to secure a divorce and that he withdrew the pass and assumed an attitude of seeming opposition only because he realized—probably on the advice of his lawyer, for all we know—that he was compromising himself and that this would work against him when the matter came before the various bodies that had to adjudicate upon the case.

It is quite true that when the bill came before the private bills committee it was indicated that we were not allowed to bring forward new evidence. That would seem to be in harmony with the legal procedure that when a case is appealed, the appeal must be based upon the evidence already submitted. I am not a lawyer, but I understand that is the situation. There was a certain type of evidence given before the senate committee that the respondents were not in a position at the time to refute. That did not, however, and does not prevent those of us who had read and studied the particular evidence in question from considering it ourselves, judging the weight of it and recalling that in many respects it was open to objection and might easily be overthrown. If we are called upon to discuss the matter before the committee of the whole house where we have to go into the case in fuller detail, then I shall be compelled—

Mr. ROSS: What is the evidence?

Mr. BROWN: I could go into it if that were thought desirable, but at this stage I do not think it is. That is, I would not go into it if that could possibly be avoided, and it is only because of the motion which has been forced upon us by the hon. member for Queens-Lunenburg (Mr. Ernst) that we are discussing it at all. As I have said, although the legal procedure is that we are not allowed to introduce new evidence, that does not prevent some of us at least from seeing the very weak spots in the evidence that was adduced, and probably we can base our conclusions upon the evidence as it appears to us.

I have said already that this bill has been turned down by the private bills committee, the majority who voted against the bill believing they had good grounds for rejecting the evidence that was submitted. I have pointed out already that there was abundant evidence of connivance; that it is an accepted principle that when persons come before a divorce court they must come with clean hands. It may be quite true that the plaintiff in this case was not guilty of the offence which was charged against his wife, but it was abundantly proven that he was anything but faithful to the marriage vows which he took. Therefore I express regret that the matter has been brought to the notice of the house once again, and I still further regret that we are to be compelled to go into the details of the evidence as we certainly shall be if this motion carries and the Speaker leaves the chair for the house to go into committee of the whole.

Mr. F. J. LAFLECHE (Richmond-Wolfe) (Translation): Mr. Chairman, the only interest I have in this matter is my desire to see to it that the fair name of the private bills committee should remain unassailed. A few days ago, this bill was brought before the committee and it was rejected by a big majority. I therefore feel bound to protest as far as it is in my power against the procedure followed by the sponsors of this motion.

So, I urge upon those who are desirous of safeguarding the rights of the several committees established by this parliament for a number of years as well as upon the protectors of widows and orphans, to vote against the motion.

Mr. WILLIAM DUFF (Antigonish-Guysborough): Before the question carries—

Mr. ERNST: Thanks for the anticipation —before the question carries.

[Mr. Ross.]

Mr. DUFF: My hon. friend may make something of that point, but I do not feel about the matter exactly as he does. It is to be regretted that Quebec has not arranged that divorce cases should come before the judges of that province as they do before the judges of other provinces in this dominion, but I think it is because they do not believe in divorce. I am, always have been and always will be opposed to divorce, and if there is any evidence to justify the conclusion that in a divorce case brought before the House of Commons and the Senate the divorce should not be granted, I intend to cast my vote to that effect.

As the hon. member for Lisgar (Mr. Brown) has said, the procedure in this parliament is that a divorce bill is first considered by the upper chamber. A committee of that house considers the evidence, and after it has done so, under the constitution such divorce bills are sent to this house so that they may be considered by a special committee of the commons. In this particular case this bill was considered by the senate, and, strange as it may seem to you, sir, and to me, we found that after the bill had been considered by the senate the divorce was approved by four members of the senate committee as opposed to three. I realize with you, sir, that as a member of the House of Commons I have no right, nor has any other member a right, to criticize anything that may happen in the other chamber, but I just wish to direct the attention of hon. members to the difference between the way in which the matter was considered by the committee in the other chamber and the way in which the members of the private bills committee of this house considered it.

The bill came to the members of the private bills committee. I have the honour of being a member of that committee. And may I say that outside of myself that committee is perhaps one of the strongest in the House of Commons. The members of that committee take their duties seriously. Whether it is a divorce bill or any other bill which comes before that committee, we endeavour to give to the measure under review the best consideration possible and make our findings accordingly. Much as I, and I think perhaps I may speak for other members of the committee, dislike it, we had to deal with this particular divorce case. Like my hon. friend from Lisgar—and again I am sure I am voicing the sentiments of a number of other members of the committee—we were obliged, contrary to our inclination but as our duty to the house and to the public, to read the evidence in the

case. It is not a pleasant duty as far as I am concerned, and I cannot understand the attitude of anyone who, the committee having decided the matter to the best of their ability and agreed upon a decision practically in camera, would now compel us to discuss this thing before the public in the House of Commons.

Mr. MACKENZIE (Vancouver): It is not in camera; it is wide open.

Mr. DUFF: I know it is wide open, but as everyone knows, in that committee the same publicity is not given to a bill of this kind as would be given if it were considered in the House of Commons. What I am trying to say is that with regard to bills relating to divorce it is to be regretted that this House of Commons, or even the Senate, more mature as they are than we, should have to adjudicate on bills of this kind. However, as the hon. member for Lisgar said, the private bills committee of the House of Commons did go into the matter as thoroughly as possible. We considered the evidence; we heard the arguments of solicitors both for petitioner and for respondent, and, after considering every angle of the situation, by a majority of I think eighteen to nine decided not to adopt the preamble of the bill, and the chairman of the committee so reported to this house. It is true that this report has not yet been concurred in, but under the rules I understand that is not necessary. However, in opening our mail this morning we found that someone had put in our box in the post office a memorandum addressed to the members of the House of Commons. As far as I am concerned I have no objection to anyone who feels he has a grievance addressing me either personally or through the mail. But there are some things in this memorandum or statement to which I object. It is signed by the petitioner, C. M. Roberts, and it refers to senate bill M. He says first:

> This bill was rejected by the private bills committee of the House of Commons on March 28, 1935, after the senate had recommended that the petitioner be divorced from his wife.

That statement of course is correct, and to my mind this is very important because except under very unusual circumstances it has always been a rule of this house that when a special committee appointed by the house to deal with any matter goes into it thoroughly and reports a certain finding, the house adopts the finding of the committee. This bill, as Mr. Roberts says in this memorandum, was rejected by the private bills committee of the House of Commons on March 28, 1935. I respectfully submit to my fellow members, and to members of other committees who expect us to agree to their findings and concur in any report which they make to this house, that the same courtesy is due to the members of the private bills committee. We rejected that bill after going into the evidence and hearing what was to be said for or against the petitioner and respondent. But that does not satisfy the gentleman who signed this memorandum. He goes on to say:

> A few minutes before the private bills committee assembled, an unsigned memorandum was delivered to the members, which contained many definitely inaccurate statements not in accordance either with the facts or with the evidence taken before the senate committee, but designed to detract from petitioner's character and not only to prejudice the minds of the committee in favour of respondent but to mislead and deceive the members of it.

Now, sir, it seems to me that no person who comes before either the Senate or the House of Commons committee has any right to insinuate that members of the private bills committee were at that time or at any time influenced by letters or memoranda received by them. Consequently the petitioner puts himself in a very awkward position as far as I am concerned, and I think perhaps in the view of other members of the committee, when he signs a statement of that kind and dares to insinuate that members of that private bills committee were influenced by any statement which was handed to them or passed around in the committee. Perhaps the reason this Mr. Roberts now passes this memorandum around is to get square with whoever it was who circulated the previous memorandum in the private bills committee. But I say, and again I think I am voicing the sentiments of every member of the committee who dealt with this matter, that we were not influenced in the slightest degree by the memorandum which was passed around or which we found in our places when we met that morning.

But Mr. Roberts is not satisfied with that. He goes on to say:

> The petitioner submits that a serious miscarriage of justice would result if the attitude of the majority of the private bills committee were approved by the house, and humbly brings the matter to the attention of the members of the House of Commons in order that this miscarriage of justice may be rectified.

Sir, that is a bold statement to make. Perhaps it would be as well if in some way Mr. Roberts were caused to appear before the bar of this house, because he practically says here that a serious miscarriage of justice would re-

sult if the attitude of the majority of the private bills committee were approved by the house. My hon. friend here says that perhaps he should be summoned in order to apologize for his statement that the private bills committee caused a miscarriage of justice when they decided, eighteen to nine, that this divorce should not be granted. It certainly is contempt of this house, if I may put it that way. But let me go on further. The statement says:

The following remarks respecting allegations made in the memorandum in question and in the private bills committee are respectfully submitted:

1. Before the senate committee the act of adultery was proven definitely by three reliable witnesses whose evidence was unshaken in cross examination and accepted by the senate.

I have not the slightest wish to criticize the decision of the senate. I am quite willing that the gentleman who signs this memorandum take whatever comfort he can from the fact that four senators out of seven decided that the act was committed in this instance. While it is quite possible that an act of adultery was proven in this case, anyone reading the evidence submitted to the private bills committee must come to the conclusion that the gentleman who signs this memorandum should hang his head in shame both as far as his own actions are concerned and as regards his conduct towards his wife, whom he wanted to divorce. Then he goes on:

The evidence of respondent and co-respondent in denial is valueless. The record shows various instances where they have directly contradicted themselves when confronted with sworn statements made in the Montreal courts, and the fact that they deceived petitioner by going to Maine and living in the same house for two weeks is conclusive as to their relationship.

Well, sir, if I remember the evidence correctly this is only a matter of the kettle calling the pot black. As my hon. friend from Lisgar stated previously, anyone appealing to the law, even if it is in connection with a divorce, at least should come with clean hands. Then he goes on:

The evidence further shows that during the fall of 1933, the respondent and co-respondent continuously went out together—

There is not much harm in that; it does not prove anything. Evidently this man Roberts was jealous; perhaps he was not as young as his wife, and became jealous because she went out with someone else.

Some hon. MEMBERS: Order.

Mr. DUFF: What is wrong with that? Of course the bachelors in this house may object to that; that reminds me of a story I once heard about a friend of mine in Nova Scotia, but I cannot tell it here. I do say, however, in all decency that this should not be broadcast in this house; it should go to the private bills committee for consideration, if it is to be considered at all. Then the next clause reads:

While there had previously been some question of her husband's consent to a Reno divorce, that idea was entirely abandoned by petitioner, nevertheless, respondent proceeded to Reno against her husband's direct orders, and secured a divorce.

According to my recollection of the evidence that statement is absolutely incorrect. I have not looked up the evidence since I received this memorandum, but if I remember it correctly this Mr. Roberts induced his wife to go to Reno. He obtained a railway pass for her and induced her to go to Reno to get a divorce, so how can he now come and endeavour to have this house reconsider the matter by telling us that his wife went to Reno to get a divorce without the consent of her husband? Then he goes on to say:

On return from Reno her effects were moved to an apartment by co-respondent and it was only some time after that removal that she took an action in separation against her husband and secured the right to a separate domicile. The co-respondent visited her practically daily at this apartment.

Quite possible this woman did move to another apartment, and as I remember the evidence she had every reason in the world to do so. I believe in another country there is a ground for divorce known as mental cruelty. If in this country we granted divorces for mental cruelty, to my mind this woman would be entitled to a divorce rather than her husband.

An hon. MEMBER: Elucidate.

Mr. DUFF: I don't like to tell all the dirt in this matter. Paragraph 4 reads:

The report of the proceedings before the senate committee shows that that body was satisfied that the relations of the petitioner and Miss X (referred to in the memorandum) were entirely innocent and the reference in the memorandum is clearly an attempt to exaggerate a harmless incident in order to divert attention from the flagrant misconduct definitely proven against the respondent.

I direct your attention, Mr. Speaker, to the difference between the clause I have just read and the clause which precedes it. In clause 3 this man says that after his wife moved from his apartment the co-respondent visited her practically daily. Then in clause 4 this man refers to a certain Miss X, whoever she may be. I do not want to know her name, God knows, and I hope no one else wants to

know it, especially the bald headed men in this chamber. But this man admits in clause 4 that the evidence given before the senate committee, as appearing at page 17 of the proceedings—and I should like my hon. friend the Minister of Trade and Commerce (Mr. Hanson) to read page 17 for himself—shows that that body was satisfied that the relations of the petitioner, Mr. C. M. Roberts, and Miss X, referred to in the memorandum, were entirely innocent, and I hope they were. I want to say, however, that if the petitioner and Miss X could walk around the streets of Montreal, go to moving pictures, have five o'clock tea and so on, all in a harmless way, why should this man who signs this memorandum want us as members of this house to believe that because the wife also walked around with another gentleman she was committing an indecent act, if I may put it in that way? Then he goes on:

The statement is absolutely untrue that petitioner introduced respondent to co-respondent in the spring of 1933 with a view to throwing them together.

Evidently, whoever did it, there was some throwing together of some kind, either by the husband or by the wife or by both of them. The evidence of the respondent is that she met the co-respondent in February, 1933. If my hon. friends want to look into this evidence they will find it at pages 63, 75 and 76. Then paragraph 6 follows, and let us not forget that this man is referring to his wife, the woman whom he promised to love—

An hon. MEMBER: Honour, and obey.

Mr. DUFF: She promised to honour and obey him, I presume, but when he married her he promised to love and protect her. Here is what he says about her in paragraph 6:

The statement that Mrs. Roberts went out with the co-respondent in order to show petitioner the folly of his ways is absolutely false. On the morning of August 5, 1933, the husband saw his wife off at Bonaventure station, and gave her a pass to go to Maine for a holiday.

If he had any suspicion of this woman why did he get a pass and send her to Maine for a holiday? It does seem to me if he was of this suspicious nature he might at least keep his weather eye cocked, if hon. members know what I mean, and not get a pass for her and send her to the state of Maine. Evidently he did not trust her very far, because he states:

She left the train at St. Lambert a mile or two out of Montréal and stayed there until next day and then went to Portland by motor with co-respondent, and remained with him in the same boarding house for two weeks and returned with him all unknown to her husband and for the purpose of deceiving him.

He must have found out, at some time, whether at that particular moment or shortly afterwards, that she stopped off at St. Lambert. He must have found out that she was in this boarding house with the co-respondent for a period of two weeks. Although he pretends it was unknown to him and was done for the purpose of deceiving him, I wonder how in the name of heaven he found it out in the first place. The least he could have done would have been to come before the committee of the Senate or the committee of the House of Commons and state how he found all this out.

The next clause is not very important. He denies the statement that the husband owed his wife $4,000. Well, with most of us it is the other way about. I think she should be congratulated upon being able to get $4,000 out of her husband, whether it was for the purpose of going to Maine, to Reno or for any other purpose. Then he states:

She forced him by threat of suit to pay her $1,000.

Well, if he owed her that money, why should he not pay it? What particular objection does he raise because he owed his wife money and she asked him for it. When he would not give it to her willingly she forced him to pay $1,000.

Then he winds up this wonderful document with some further observations. Before voting to throw this nasty mess into the maelstrom of public controversy, hon. members should hear the whole story. He states:

The petitioner is entitled to have the facts of his case decided upon the sworn testimony of the witnesses and to have the benefit of the affirmative finding of the senate committee before whom those witnesses were heard, and who could judge of their credibility by their demeanour.

Let me deal with that phase of the matter. Earlier in my observations I stated that I have no more objection to a decision made by the senate than would an hon. member learned in the law to a decision made by the supreme court. When a supreme court gives a decision either for or against—and it must be for one and against the other—no objection is made if either client decides to appeal to the supreme court in banco, consisting of six or seven judges. It often happens that while the one judge in the lower court has the opportunity of hearing the evidence, the supreme court in banco, without hearing the evidence, just as the private bills committee in this instance, decide to reverse the decision made by the one judge. This man has no right in any document to insinuate that because the members of the

private bills committee did not hear the evidence given by the witnesses they are not in a position to give a proper decision. The judges in the supreme court in banco or in the Supreme Court of Canada decide cases on evidence submitted to them in writing. Just so I say we as the members of the private bills committee have an equal right to give a judgment, whether it be good or bad, on the evidence which we may read. Perhaps I would not take so strong a stand if this matter had been decided by a full committee of the senate. Had there been as many members on the senate committee which heard the evidence as there were on the committee of the House of Commons, perhaps I would be willing to forego some of my views and to agree that after all, with their wide experience, hon. members of the senate may have been right. However in view of the fact that only seven members of the senate made this decision and some twenty-seven members of the House of Commons reversed it, I say this man is not acting fairly when in the memorandum he practically states that the members of the private bills committee did not give his case proper consideration.

Here is a worse insinuation:

> The petitioner does not impugn the good faith of members of the committee whose votes were cast against his bill, but earnestly submits that their good faith was imposed upon.

I will admit that the lady was present, but I insist that we were not induced to make our findings because our good faith had been imposed upon. Two gentlemen learned in the law represented the respective sides of the case, and presented strong arguments. In my view one counsel did not have as good a case as the other, and the majority of the committee decided the divorce should not be granted. When this man states that our good faith was imposed upon in arriving at a decision I submit this House of Commons should back up the members of the private bills committee. Every hon. member of this chamber, no matter how he may feel in the matter, in view of the fact that this man has made such a statement, should stand behind the committee which went into the matter, considered the evidence and gave a decision to the best of their ability.

In my humble manner, in my modest way, I have endeavoured to state the views of the private bills committee. In view of all the circumstances I appeal to my fellow members not to reopen the matter. I am opposed to divorces. So long as I am a member of this parliament and have to deal with divorce cases, if at all possible I shall refuse divorces. In cases of trouble between man and wife I believe it is my duty and that of other hon. members to try to get these people to reconcile their differences and to live together as God and man intended they should.

[Mr. Duff.]

Mr. MICHAEL LUCHKOVICH (Vegreville): Mr. Speaker, I hope that the time will some day come when we can throw divorce out of parliament altogether and hand it over if possible to the Exchequer Court of Canada. I was one of the committee of three that was appointed to be a witness to the hearings of most of these divorce cases that are being heard by the senate committee, and I can assure you that what I hear down there is worse than a lot of the true stories that are printed in the True Story magazine.

The first objection that is made in this circular that has been sent to members of the House of Commons is that a few minutes before the private bills committee assembled, an unsigned memorandum was delivered to the members. The lawyers for the petitioner complained before the committee that the members had received a circular from the respondent, and they objected to that, and yet they are doing the very same thing in this circular. I think that what is sauce for the gander should be sauce for the goose as well. I myself feel that there has been connivance in this case. In Bourinot, fourth edition, at page 637 I find this passage:

> Connivance, condonation or collusion, a ground for rejection—In such cases the Minister of Justice may intervene.
>
> "If adultery be proved, the party from whom the divorce is sought may nevertheless be admitted to prove connivance at, or condonation of the adultery, collusion in the proceedings for divorce, or adultery on the part of the petitioner.
>
> Connivance at, or condonation of the adultery, or collusion in the proceedings for the divorce, is always a sufficient ground for rejecting a bill of divorce, and shall be inquired into by the committee, and should the committee have reason to suspect connivance or collusion, and in their opinion it is desirable that fuller inquiry should be made, such opinion and the reasons therefor shall be communicated to the Minister of Justice, that he may intervene and oppose the bill should the interest of public justice in his opinion call for such intervention."

There is no doubt in my mind that there has been connivance all the way by the petitioner. The very fact that he sent his wife to Reno, asking her to go down there and get a divorce, is connivance to my mind, and if connivance is a defence I cannot see how the senate committee could have passed the divorce.

Mr. ERNST: Will the hon. member permit a question? Will he indicate where in the evidence there is shown to be any connivance with respect to the particular act on which this petition is based?

Mr. LUCHKOVICH: Yes I will, but I have only five minutes more, and I shall have to do it after the Easter recess.

There is another passage in Bourinot which presents the views of Senator Gowan, who in 1888 said, as will be found in Bourinot at page 628:

—for the decisions of the House of Lords on bills of divorce have not the weight that attaches to the regular legal tribunals. The majority determines, and in a minority on a vote may be found men of learning, wisdom and experience, expressing opinions adverse to the determination, more in accordance with the eternal principles of truth and justice.

This divorce did pass the senate committee by a vote of four to three. Nevertheless there were three members on the senate divorce committee who thought fit, on the grounds I will say of truth and justice or humanity, to cast their votes against this divorce.

The circumstances of the reintroduction of this bill into the house vary somewhat from the circumstances of the divorce bill which was introduced into the house last year. I refer to the Stotland divorce bill of last year which was defeated in the House of Commons and was afterwards reintroduced by the member for Ottawa (Mr. Chevrier). At page 4298 of last year's Hansard I find that it was negatived by the house, so that we are discussing this divorce case at this time more or less on the sufferance of the house.

As far as the evidence given in the senate committee is concerned respecting the chief offence on which the divorce is based, I frankly say, Mr. Speaker, that I would give more credence to the evidence of witnesses who are not detectives than I would to the evidence of detectives, and in my opinion the evidence given in this case was of a nature which did not prove that the main offence on which the divorce is based was committed. I do not believe that was proved before the senate committee. As a previous speaker has said, there was an attempt made to show that because the respondent had gone to some place in Maine, that was evidence of the offence in question. The evidence also shows that the petitioner had been running around with some lady whom he calls Miss X, and possibly he might have called her Madame X. The circular No. 4 of C. M. Roberts says:

The relations of the petitioner and Miss X referred to were entirely innocent.

He has no more right to say that on his own behalf than the wife has to testify similarly on her behalf.

PUBLIC WORKS PROGRAM

WORKS, UNDERTAKINGS AND GUARANTEE OF RAILWAY EQUIPMENT SECURITIES TO CREATE EMPLOYMENT

Hon. H. A. STEWART (Minister of Public Works) moved the second reading of Bill No. 63, to create employment by public works and undertakings throughout Canada and to authorize the guarantee of certain railway equipment securities.

He said: Mr. Speaker, the established practice of this house on the second reading of a bill is to confine the discussion to the principle involved. I feel satisfied that I can safely say, in view of the action taken last session in regard to a similar bill and the discussion that has already taken place on the resolution, that the principle of the bill meets with general favour, whether or not there may be criticism of some of its sections or of some of the details. There was upon the resolution a pretty comprehensive discussion not only of the principle of the bill but of the details, and I would hope that that will have the effect of shortening the discussion both on the second reading and on the bill when it gets into committee of the whole.

I have no desire to labour the matter or to delay the passing of the second reading. I believe every hon. gentleman realizes that the object of the bill is to provide employment over a wide field and that it is desired that employment should be afforded at the earliest possible moment. I should sincerely hope that without restricting the rights and privileges of any member or limiting the discussion it might be found possible to give this bill all its readings to-night in order that the object which we all have in view may be attained. I therefore move that the bill be read the second time.

Hon. J. C. ELLIOTT (West Middlesex): It is not my intention, after the discussion of last night, to take up very much time discussing the objections I have to this bill and which I know many hon. members on this side of the house share. I hope I made

it clear last evening that one of the prime objections was to calling tenders involving large sums of money otherwise than by public advertisement. I have listened to what the minister has said and I assume that this bill will carry in some form. I desire to move an amendment with a view to making it compulsory to call for tenders by public advertisement. I do not wish unduly to hold up the passage of the bill but I do want to register a protest as strenuously as I can, reserving the right to move an amendment in committee or on the third reading or both and to endeavour to convince the majority of the committee that these tenders should be let only after proper public advertisement.

As regards the other objections, I think I covered them all last night. I understand that some other members on this side of the house wish to discuss them, perhaps at some length, but it is not my intention to take up the time of the house further, the understanding being that we shall have an opportunity to move these amendments at a later stage.

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

On section 1—Short title.

Mr. MACKENZIE (Vancouver): Before we discuss any of the clauses I suggest that the minister should give us some information with regard to the schedule. Compare schedule A of the bill this year with the schedule of last year and you will find a vast disparity between the two pieces of legislation. Last year we had a considerable amount of detailed information but none at all this year, though huge lump sums are being voted. I do submit that the minister might properly give us some information before we discuss any of the clauses of the bill.

Mr. STEWART (Leeds): I have no objection to meeting the desires of the committee in that respect.

Mr. LAPOINTE: I suppose that would come under section 2.

Section agreed to.

On section 2—Authority to execute and complete works.

Mr. POWER: On this section, and in connection with the point raised by the hon. member for Vancouver Centre (Mr. Mackenzie), I suggest to the minister that it would be well to have the Minister of Marine (Mr. Duranleau) here to lay on the table certain supplementary orders in council which he promised some days ago to lay before this committee. I refer particularly, not to any of the correspondence asked for by the hon. member for Quebec East (Mr. Lapointe) but to certain orders in council which were not complete. On the orders of the day some days ago I called the attention of the minister to orders in council in which there was not the information which I believe the committee should have. Take for instance order in council under the Public Works Construction Act, P.C. 1564, page 6 of sessional paper 104VV, dated April 12, 1935. This order in council provides that Mr. Ernest Gohier, consulting engineer of Montreal, should be authorized to prepare certain plans of works at Three Rivers. The order in council recites that Mr. Gohier has already designed and successfully carried out extensive works in the harbour of Three Rivers, and therefore in consideration of this the minister recommends that he be authorized to employ Mr. Gohier to prepare plans and supervise the construction of works provided for at Three Rivers "on the terms and conditions embodied in the form of agreement hereto attached," and that he be authorized to execute with Mr. Gohier a contract in the said form. The terms and conditions said to be attached are not attached to the order in council, and the same thing applies to a number of these orders. I submit to the Minister of Public Works that this is not adequate information on which this committee can base a judgment as to whether or not these contracts have been properly carried out.

I do not wish to renew the discussion we had a few evenings ago with respect to the painting of the bridge in Montreal. It is recited in that order in council, P.C. 1869, page 21 of the same sessional paper, that a certain number of firms—International Paints (Canada) Limited; Canada Paint Company, Limited; Thorpe-Hambrock Company, Limited—submitted tenders, all at the same price, namely, $2.90 per gallon red lead, and so on. Further on, the order in council states that the minister recommends that he be authorized to enter into contracts with International Paints of Canada, Limited, Canada Paint Company, Limited, and Thorpe-Hambrock Company, Limited, for the supplying of what paint is required, but it does not say what proportion of the supplies is to be taken from each of these companies. It simply states that he is to be authorized to enter into contracts with these three companies. I assume that the supply was divided

in some proportions. In the same order in council it is stated that certain firms submitted quotations in accordance with the conditions laid down "as indicated below and in the attached schedule." These companies are Southern Working Company, Limited; Federated Construction Company, Limited; F. J. Leduc and Associates; Nicole Gentile; L. Knight; R. F. Walsh and Company, Limited; James Pitcher; C. J. Pott Company, Limited. It does not say anywhere what prices these firms submitted. It then goes on to say:

> After investigating we are satisfied that lowest tender for application of paint to bridge, not having been accompanied by accepted cheque, should not be considered, particularly as reports of his financial position are most unsatisfactory.

I would like to know who the lowest tenderer was, because it is not stated. It goes on a little later to recommend that an order in council be entered into with Leduc and his associates. Practically all these orders in council require some document or another to complete them, and I submit that unless we have this information before us to-night it will be very difficult for us to proceed with the bill now under consideration.

The minister may say that this bill provides for future works, but may I point out to him that in the preamble it says:

> Whereas in pursuance of the said act there are dominion public works throughout Canada in process of construction amounting approximately to $30,000,000—

And the bill itself is called the Supplementary Public Works Construction Act, 1935. Therefore the two are linked up, altogether apart, I suggest, from the very natural desire which the minister may have of satisfying all the members of the house that everything which was done under the provisions of last year's act was carried out properly and in a manner which would be quite satisfactory to him and his associates, the other ministers who are now acting ministers of public works in their various departments. Before proceeding with any further argument, I would ask the minister whether there is any possibility of having this supplementary information furnished us to-night.

Mr. STEWART (Leeds): The hon. gentleman is entitled to the information for which he asks, and I have no doubt it will be cheerfully furnished by my colleague the Minister of Marine. Let me point out to my hon. friend however that we have had a fairly extensive discussion on both these matters to which he now refers, and that that discussion arose out of the estimates of the Public Works department which were held over for the purpose of enabling a discussion of this kind to take place. Those estimates are still before the committee; they have not been disposed of, and any discussion that relates to works that were done under the Public Works Construction Act of 1934 and the contracts let and orders in council passed, it seems to me might better come up on a discussion of the estimates when we resume the debate that has simply been adjourned. But, strictly speaking, it is hardly in order to bring up a discussion of that kind in connection with this bill which has to do with works that are projected for the future.

Mr. POWER: Oh, no.

Mr. STEWART (Leeds): Well, that is my suggestion in order that we may save time, and all the information will be given. This is not the only opportunity the hon. member will have of getting all the information for which he asks and to which I say he is entitled. I have no objection whatever except that without closing off any opportunity for discussion, I would like to get on with the bill. I assure my hon. friend that so far as my colleague and I are concerned, the information will be available.

Mr. POWER: I am sorry that I cannot agree with my hon. friend. If he wants to raise a point of order, let him do so. I think I am quite within my rights in discussing on this supplementary public works construction bill, the preamble of which contains a reference to the works now going on, the lack of information, calling the attention of the minister to the fact that we have not as yet any information as to the manner in which last year's Public Works Construction Act was carried out. We have before us orders in council which do not give information and which I am sorry to say are extremely badly drafted. I do not want to go the length of saying that this is done by design, that it is intended to hide the information; but when one finds that almost every second or third order in council does not give the information to which the committee is entitled, I think we have a right to protest and to say to the minister: Well, if that is the way in which you are going to carry on with your new public works construction act, we want to know. I am not protesting very much—I think there is a great deal of cant and hypocrisy about all this business—against hon. gentlemen opposite now that they are in power using their political influence and power to help their friends; they would do that anyway. I am not going to make any bones about the matter; I would like them to admit it. I rather approve the attitude of the

Minister of Marine; there is not much hypocrisy about him. He comes out boldly and says: You chaps did that in Quebec; I am going to do the same thing; I am going to help my friends. I am willing to say right now that he will get a great deal of credit for saying so. I am not complaining so much about that. Let them come out and admit it. I will give my hon. friend an instance. In reading over these orders in council, what do I find? These works are supposed to be for the benefit of the unemployed, presumably of the poorer categories of the unemployed, the poor workmen who have no jobs. I was looking over the orders in council which referred to Halifax. That locality is far away from my home and my reference to it cannot hurt anybody in my constituency, so I thought I might discuss Halifax, but it is an example of what has happened all the way through. On page 33 of this sessional paper 104VV, I find under an order in council of September 7, certain items of the Public Works Construction Act, numbers 62 to 70, were placed under the Department of Marine; that is to say, the works are enumerated and the administration, management of construction of the public works mentioned in schedule A were placed under the Department of Marine. On page 34 I find under the authority of P.C. 2110 that the committee of the privy council, recommends that the Minister of Marine be authorized to employ the services of Mr. C. S. Bennett, acting chief engineer of the harbour commissioners of Halifax in an engineering capacity, and the harbour commissioners of Halifax in a supervising capacity, all without remuneration, in connection with the works to be carried out under items 62 to 70. Those are the same items. I turn to page 57 and referring to item 63 I find that a contract was let to a certain firm, the Western Waterproofing Company, Keefer building Montreal, for the sum of $8,724.10. Then provision is made that for engineering and inspection, approximately ten per cent, and for administration and general office expenses, the Halifax harbour commission will receive $1,150, this amount being for work which it was understood by a previous order in council the commission were to carry on without remuneration. I do not want to read all the orders in council, but I mention that.

I find that on page 59 with respect to item 67, the Halifax harbour contract was awarded to the McDonald Construction Company and that the commission received $730.43 for supervision and engineering. Then on page 61 with respect to item 66, a contract was awarded to the McDonald Construction Company and the sum of $881.50 was allotted to the harbour commission for engineering and supervision which they had already agreed to do without remuneration. Then on page 72, items 68 and 69, a fairly large contract was awarded to the John S. Metcalf Company, Limited, to carry on the work of a grain elevator. The Halifax harbour commission was awarded about $5,000 for engineering and supervision although the Metcalf company is an engineering company; its duty is as architects to design and supervise the work which it has in hand. Then on page 75 I find with respect to item 70 that a contract was awarded to J. P. Porter & Sons Limited, and the Halifax harbour commission was allowed for engineering, inspection, administration and general office expense approximately $18,000. Going up! Then on page 77 I find another contract was awarded, another of the items to be looked after by the Halifax harbour commission and by its chief engineer without remuneration: item 64, contract awarded to T. C. Gorman (Nova Scotia) Limited, and the Halifax harbour commission obtained two and a half per cent, something like $20,000 for supervision—work which they were supposed to do without remuneration.

And this is the best of all. This is really pretty good. After the Halifax harbour commission is given I would say about $50,000, on page 84 I read this. This is after the contracts were all let. Order in council of April 2, 1935 says:

> The committee of the privy council on the recommendation of the Minister of Marine, advise that in connection with the works to be carried out in Halifax harbour under items 62 to 70—
>
> All of which were already provided for.
>
> —he be authorized to employ Mr. E. H. James of Montreal as consulting engineer at a fee of $1,000 per month, the total amount for his services not to exceed $9,000 and to be chargable against any of the above items.

So that we have first the Marine department with its engineers to look after these works, then the Halifax harbour commission with its engineers to look after these works without remuneration; yet on every single contract they obtained remuneration, and then, apparently not satisfied with the people of Halifax, they employed this man James at $1,000 a month. This will explain why I want certain information with respect to other orders in council.

I find in looking through this that a Mr. Ernest Gohier of Montreal was employed to look after the works in Quebec harbour as consulting engineer, after the same practice or procedure had been gone through, namely the Marine department being put in charge

with their engineers, then the Quebec harbour commission with its engineers—it is as supervisor that they have prepared the plans; then Ernest Gohier is appointed at a fee of $1,500. And not satisfied with that, Mr. Bigonesse is appointed as an architect at a fee of $4,000. I find also that Mr. Gohier was employed with respect to the work in Three Rivers harbour, but they do not say at what fee. And with respect to the Chicoutimi harbour, although there the department had engineers, this same Mr. Gohier was also employed. The minister shakes his head. Does he want me to read the order in council?

Mr. DURANLEAU: By shaking my head I am only telling my friend that he is mistaken when he states that these harbour commissions have engineers. The harbour commission of Chicoutimi has no engineer and the harbour commission of Three Rivers has no engineer. That is why we had to employ an engineer to draw the plans and to supervise the works.

Mr. POWER: That is one explanation, but it hardly justifies the minister in employing Mr. Gohier for Quebec, where they have a highly paid engineer and a very good one. Nor does it justify his employing Mr. James of Montreal to supervise the work in Halifax harbour, where the work was already done, the contracts had been let, the plans prepared. I should like to know—perhaps only as a matter of curiosity, but I think the working men of Chicoutimi and Three Rivers and Quebec and Halifax would like to know—what Mr. Ernest Gohier's fee is. The minister said a few nights ago that he is a very reputable engineer, and I am quite willing to agree with that, although I do not know anything about him; but he is getting a mighty big fee for work at Quebec done by someone else. I should like to know what fee he is getting for Chicoutimi —it is not stated in the order in council—also what fee he is getting for Three Rivers. I think if the minister were fair he would tell us. The order in council in respect to Three Rivers says:

> The minister recommends that he be authorized to contract for the services of Mr. Ernest Gohier—

He has already contracted for them, and at $15,000 for Quebec. I would like to know what contract he made for the other places. I suggest that we should have this information to see how much is being given to high-salaried men.

Mr. CASGRAIN: Was Mr. Bigonesse paid for Quebec also?

Mr. POWER: There are two orders in council covering his work, one for the same job as Mr. Gohier is doing in Quebec harbour —Mr. Bigonesse gets $4,000 for that—and another speaks of employing him as architect on some contract at the Quebec observatory. It recommends that "he be engaged in this connection on the terms and conditions set forth in the attached memorandum." But the memorandum is not attached. I think the workers who are supposed to benefit from this would be interested in knowing how much these men are getting. Before we proceed further with this we ought to know how much of this money is going to high salaried men. As I said at the outset, I am not protesting so much about the manner in which the contracts have been let, or making complaint about the minister helping his friends. But I do think that it is beyond reason to ask this house to vote such extremely large salaries in this time of depression. I may be all wrong, but I suggest that since Mr. Gohier is getting $15,000 for Quebec, on the same basis he would probably be getting $5,000 more for Three Rivers and $5,000 more for Chicoutimi. Perhaps he is getting only $5,000 for the two, but even that would make a $20,000 salary, which is a pretty good thing for looking after three contracts. It is a bigger salary than the Prime Minister has for looking after the whole of Canada, a bigger salary than any minister of the crown gets for running a government department. I should like, before I proceed further, to have some explanation from the minister on that point.

Mr. DURANLEAU: As to the public works in Halifax, it was in the public interest that the harbour commissioners and their acting engineer were appointed in their respective capacities without any remuneration to direct and supervise the works. I can tell my hon. friend that these gentlemen are receiving only their usual salary prescribed by the statute for the harbour commissioners, and the acting engineer is giving his services without any remuneration, except his usual salary. But we have to pay the commission —not the commissioners, not the engineer,— we have to pay the commission for their employees. They put on the job three or four or five or six employees; surely the harbour commission is entitled to get out of this vote the salaries of these employees, and that relieves the commission of so much in its administration costs. There is no expense to the country, the administration expenses of the harbour commission being reduced accordingly. The harbour commissioners receive the very same salary that

was received by the harbour commissioners appointed under the previous administration, and not a cent more. I hope my hon. friend understands the situation.

Mr. DUPUIS: But we were prosperous then.

Mr. DURANLEAU: The two orders in council may appear contradictory, but actually there is nothing of the kind. I repeat the commissioners and the engineers personally receive no remuneration. With regard to the consulting engineer, Mr. James, I want to tell my hon. friend that as I had no chief engineer in my department and no assistant chief engineer, I needed the services of an outside engineer.

Mr. DUPUIS: And no deputy minister.

Mr. DURANLEAU: Perhaps my hon. friend will allow me to complete my remarks. I have saved thousands of dollars by that policy. When this public works program started under my department, my duty was to employ outside engineers like Mr. James and Mr. Gohier in order to secure proper execution of this program, and I am sure we have saved money in this way. As Mr. Gohier, he is representing my department at Three Rivers, at Chicoutimi and also at Quebec as I have no chief engineer. When my hon. friend says he is getting a larger salary than a cabinet minister, surely he knows better than that; he knows what are the expenses of an engineer; he has to keep a place of business, to employ a staff for the drafting of plans, specifications, details and so forth. When we came into office in 1930 I found that the Liberal administration had a man by the name of Swan who in two or three years made over $100,000 under the Department of Marine, as consulting engineer for the whole country, not only Three Rivers and Chicoutimi. My hon. friends very quickly forget what happened under their administration with regard to engineering. We have not spent half what was spent by my hon. friends when they were in power, from 1926 to 1930, in engineering fees. I will ask my hon. friend to secure the information as to how much was paid Mr. Swan by the Department of Marine and the harbour commission under the Liberal administration.

Mr. LAPOINTE: Can my hon. friend tell us how much Mr. Gohier gets in Three Rivers and Chicoutimi, as well as Quebec?

Mr. DURANLEAU: I have not the orders in council; I think my hon. friend has them.

[Mr. Duranleau.]

Mr. POWER: If the minister will permit me to reply, on four occasions I have complained in this house that the orders in council did not give the information they should give. They speak of a contract attached, with this Mr. Gohier—

Mr. DURANLEAU: I can tell my hon. friend that under the Liberal administration Mr. Swan was getting five per cent.

Some hon. MEMBERS: Oh, oh.

Mr. DURANLEAU: When my hon. friends criticize what we are doing I think we are entitled to answer that we have bettered the situation. Under the Liberal administration Swan was getting five per cent of the cost of all the work undertaken in Three Rivers, in Chicoutimi and elsewhere, and I can state here that Mr. Gohier is getting less than half what Mr. Swan was getting, because I have made a contract for a specific amount.

Mr. VENIOT: Where is the contract?

Mr. DURANLEAU: I have not the contract yet. I did not know this matter would come up this evening.

The CHAIRMAN: Order.

Mr. DURANLEAU: In five minutes I will supply the information as to the remuneration paid Mr. Gohier in connection with Three Rivers and Chicoutimi, and I can say that it is easily less than half what was paid under the Liberal administration to Mr. Swan in connection with the works at Three Rivers and Chicoutimi. Now as to the employment of Mr. Bigonesse, he is getting $4,000 for his work as architect in connection with the sheds, a work costing nearly $400,000.

Mr. LAPOINTE: Is he a Quebec city man?

Mr. DURANLEAU: He is a Quebec city man, one of the leading architects of that city.

Mr. DUPUIS: And a leading Conservative?

Mr. DURANLEAU: I do not know, but if my hon. friend from Laprairie-Napierville cares to inquire I could mention the names of Liberal architects in Quebec who made thousands of dollars on public works in that province, and we did not complain because we thought they were entitled to their fees. I do not think my hon. friend is serious when he contends that an architect is not entitled to a reasonable fee for the work he does for the department. As to the other building mentioned by my hon. friend from Quebec South, Mr. Bigonesse was employed as architect to draw the plans and specifications.

Mr. POWER: For what?

Mr. DURANLEAU: For the observatory building.

Mr. POWER: What did he get for that?

Mr. DURANLEAU: I think he is getting five per cent, which is the usual fee to architects all over Canada for drafting plans and specifications and supervising the work. I do not think there is anything in that to reproach us with.

Mr. POWER: For the moment I am not critcizing the minister in that regard, but I should like him to give us the information referred to in the orders in council. Mr. Bigonesse is referred to as being employed as architect for the observatory at Quebec, and the minister takes authority to employ him "as per contract in schedule attached," but he does not attach it.

Mr. DURANLEAU: Does not the order in council specify the percentage?

Mr. POWER: It specifies Mr. Bigonesse's remuneration for the Quebec harbour shed, at $4,000. I want to know what he is getting for the other job.

Mr. DURANLEAU: I think it is five per cent, which is according to the tariff of rates charged by the architects of the province of Quebec.

Mr. POWER: If the minister will permit me—

Mr. DURANLEAU: I want to add this: My hon. friend says we are paying Mr. James $1,000 a month to supervise the works in Halifax. I think the expense is quite reasonable when it is considered that these works are costing a large amount. I think it is fitting that we get the best architects or engineers to supervise the work and to examine the plans and specifications. The hon. member knows what occurred in the city of Quebec in connection with the pier built at Wolfe's Cove by hon. members opposite. Since 1930 we had to make an expenditure of over $100,000 to prevent that pier from slipping into the river. If the work had been properly planned and built under the supervision of a man of wide experience in under-water operations, probably we would not have had to spend so much when we took office. That pier was built during the years 1928 and 1929, and in the early part of the year 1930. I claim it is good policy to employ the best possible engineers when under-water operations valued at many millions of dollars have to be carried out.

Mr. DUPUIS: Mr. Chairman—

Mr. POWER: I should like to complete my observations, if the hon. member would not mind.

Mr. DUPUIS: All right.

Mr. POWER: I am not going to discuss the engineering feats which the minister performed in connection with saving Quebec harbour. At some other time we shall be quite willing to vote a few dollars with which to build him a monument to be placed alongside of those of Champlain, Jacques Cartier and others. In those days we carried out harbour works of considerable magnitude, looking to the future development of the harbour. We spent money; at the present moment I am not particularly anxious to enter into a discussion of whether or not we wasted money. The fact is, however, that we spent money and built harbours. We were not carrying out those works for the purpose of relieving unemployment, whereas in the present instance that is what is being done. I do not believe it was ever the intention of parliament that these unemployment works should provide employment for high salaried men. Such men are not to be classed as unemployed, in the commonly accepted sense of the term.

Let us return to the minister's discussion with respect to Halifax. Order in council P.C. 2110 at page 34 states that the minister—

—be authorized to employ the services of C. S. Bennett, acting chief engineer of the harbour commissioners of Halifax in an engineering capacity, and the harbour commissioners of Halifax in a supervising capacity, all without remuneration.

That is what they had. I could refer to five or six contracts, but I shall take only one of them. The details are fully set forth with regard to Halifax. P.C. 26, dated January 31, 1935, gives authority to enter into a contract with T. C. Gorman (Nova Scotia) Limited. It states:

The minister therefore recommends:
1. That he be authorized to enter into a contract with Messrs. T. C. Gorman (Nova Scotia) Limited for doing the work contemplated above at an estimated cost of $259,366.80;
2. That the Halifax harbour commission be allowed for engineering inspection and administration and general office expenses two and a quarter per cent of the contract price.

In this case that item came to about $20,000. I have not the exact figure, but I do know the contract was let for $259,366.80.

In connection with another contract more details are given. I have before me P.C.

3223 appearing at page 75, and awarded to J. P. Porter and Sons, St. Catharines, as follows:

That the acting chief engineer of the Halifax harbour commission further reports the necessity for the following additional expenditures:
(a) for engineering and inspection approximately five per cent, $13,959.75.
(b) administration and general office expense, one and a half per cent, $4,397.32.

So we find more than $20,000 given for work which apparently the Halifax harbour commission had undertaken to do for nothing. Then on top of that the minister employs a man at $1,000 per month. There is no other way of getting out of it. I believe the minister is a little bit extravagant in these distressing days. A few moments ago he said, poor man, that he has no engineer in his department, no deputy and no assistants which he should have. For that reason he has to go outside to get that assistance. Strangely enough, however, his engineer seems to do a lot of work, this poor unfortunate fellow who does not count for very much. For instance, I see that the acting chief engineer of the Department of Marine certified "that the work is of such a nature that it may be more beneficially executed by day labour." When we come to Quebec contracts we find he has more engineers than you could shake a stick at.

I now turn to P.C. 2824 at page 45, an item for Quebec. Perhaps I would do well to read nearly all of it. Dated November 8, 1934, it states:

The committee of the privy council have had before them a report, dated 6th November, 1934, from the Minister of Marine, stating with respect to the construction of new transit sheds to replace old sheds 24 and 25 on pier No. 1 of the Quebec harbour commission at Quebec, as provided for in item No. 137 of the Public Works Construction Act, 1934, as follows:—

1. That consequent upon the authority obtained in order in council of the 15th August, 1934 (P.C. 1801), the Quebec harbour commissioners were instructed to invite tenders for this work:

2. That the tenders received in response to this invitation were not considered satisfactory:

3. That fresh tenders were subsequently invited by the Minister of Marine from the following contractors, who submitted quotations as indicated below:—

Delphé Maranda, Esq., Que., P.Q., $389,989.
Roméo Vachon, Esq., Que., P.Q., $409,154.
Colonial Construction Co., Ltd., Que., P.Q., $420,149.
Joseph Nolin, Esq., Que., P.Q., $423,855.
Amédée Latulippe, Esq., Que., P.Q., $478,090.
Amédée Demers, Esq., Que., P.Q., $479,489.
Abel Ratté, Esq., Que., P.Q., $485,153.
Morton Engineering & Dry Dock Co., Que., P.Q., did not quote.
Frontenac Lumber Co., Que., P.Q., did not quote.

[Mr. Power.]

Cummings Construction Co., Monte Bello, P.Q., did not quote.

That as the lowest tender, which was submitted by Mr. Delphé Maranda, was still considered to be high, the minister has been in conference with him and as a result Mr. Maranda has agreed to carry out the work strictly in accordance with the plans and specifications prepared by the engineer of the harbour commissioners of Quebec, for the sum of $354,754.92, which price, in the opinion of the engineers of the Quebec harbour commission, the consulting engineer, and the acting chief engineer of the Department of Marine is fair and just.

Here is a case where the minister had three good engineers on the job so he cannot complain that he was left alone and helpless. He had the plans prepared by the engineer of the Quebec harbour commission; then he hired a consulting engineer, and the Quebec harbour commission engineer said that it was just, the consulting engineer said that it was just and the chief engineer said that it was just. How it was that the architect was not called in to say it was just I do not know. He must be a stiff-necked fellow, or he would have said that it was just.

The consulting engineer, who comes from Montreal, reports that Mr. Maranda is a contractor of twenty years' experience.

Mr. DURANLEAU: That is a crime.

Mr. POWER: Well, I would have thought that they would have asked the opinion of the Quebec engineer as to Mr. Maranda's qualifications. Why go to Montreal?

Mr. DURANLEAU: I suppose my hon. friend from Quebec East (Mr. Lapointe) would object to a Montreal man.

Mr. LAPOINTE: The hon. gentleman says that all this work must be given to local contractors, but of course an exception is made for Mr. Gohier.

Mr. DURANLEAU: An exception as to engineers.

Mr. POWER: I am not supporting what my hon. friend from Quebec East says. I do not agree with him. I do not object to a Montreal man being there, but it was not necessary to go to Montreal to get a man to report that Mr. Maranda was a contractor of twenty years' experience and fully qualified to do this work. That report could have been made by somebody in Quebec who knew Mr. Maranda. There was no need to go to Montreal. So far as I know, all his life Mr. Maranda has been a Quebecker and doubtless he was introduced to Mr. Gohier only two or

three days before Mr. Gohier made this report on him. It would have been far better to ask Mr. Tremblay or even the acting engineer of the Marine department what Mr. Maranda's qualifications were, which I admit were extremely high.

Then the order in council goes on to ask for authority:

As the consulting engineer to the Quebec harbour commissioners and the acting chief engineer of the Department of Marine recommend that a competent architect to supervise the purely architectural details of the structure be employed, authority be granted for the employment of Mr. J. Aurèle Bigonesse of Quebec as supervising architect in connection therewith at a fee of $4,000.

So there we had three engineers, and they used two strangers. But there is more about these engineers when the new contract was awarded later on to Mr. Maranda. This is a very long order in council, P.C. 322, March 18, 1935, page 81 of the sessional papers, and I shall quote only those portions which refer to the employment of engineers. I am not for a moment criticizing the government for having first told Mr. Maranda that his tender was too high, or for the minister having a conference with him and suggesting a lower tender. But now by this order in council they have recourse to the old, old game of giving Mr. Maranda an extra. That game is pretty well played out, and I expected better of the minister. When this cabinet of real politicians was formed we thought we might have a national cabinet of politicians without hypocrisy and without cant. No doubt the minister would like to be able to say, "To the victor belongs the spoils." He will support that particular kind of politics, I have no doubt, and a great many on this side will also, but we will have to get a minister who will not resort to the old-fashioned trick of camouflage by giving extras.

In any case in this particular contract they mention Mr. Gohier as being the consulting engineer. They also say that the Minister of Marine called for tenders, that plans and specifications were prepared by the engineers of the Quebec harbour commission, that a contract was entered into with Mr. Delphé Maranda, and that the engineer, Mr. Gohier —apparently he is now promoted to be engineer in chief—"reports as follows"; then there is a long report saying that the engineer recommends that a change be made in the plans and specifications and be embodied in Mr. Maranda's contract, and Mr. Maranda obtained this extra work. I do not know whether the extra amounts to $26,000 or $181,000; it is difficult to make out. Then the order in council goes on to say:

The acting chief engineer of the Department of Marine concurs.

The engineer of the harbour commission appears to have been eliminated altogether The committee of the privy council, on the recommendation of the Minister of Marine, also concurred in the change in Mr. Maranda's contract. So I do not think the minister's complaint that he has not engineering services is really well founded, for he has three engineers on each job, or two at all events apart from the consulting engineer. Even if Mr. Swan got a lot of money I do not think the minister will be able to justify the payment of $15,000 and $20,000, and $1,000 a month in another case, to engineers when the work was already being supervised by other competent men. I suggest that to the minister, not so much by way of criticism of the past, but so that he will not carry on that policy under this new public works bill which is before the house to-night. This new bill, I submit, will not be popular in the country if in the carrying out of the work the same policy is followed that was adopted last year. I repeat that I am not criticizing the minister in regard to the general principles, if I may call them principles, which he has followed, but I am criticizing him for not having made every dollar which was spent go to the people who were most in need of it. That is the general principle of unemployment relief work, and it is a principle upon which I think everyone in this house is agreed. If the minister would only pledge himself to do that, he would get far greater support from this side of the house.

Mr. DURANLEAU: Answering first the last complaint of my hon. friend about the change in plans and specifications involving an extra of $26,018—

Mr. POWER: I am not complaining of that.

Mr. DURANLEAU: I think my hon. friends from Quebec should not object to that.

Mr. POWER: I am not objecting to that.

Mr. DURANLEAU: We made a change in the plans with respect to the doors of the sheds. I did not see why the Quebec sheds should not have as up-to-date doors as are used in the sheds of all the other harbours of Canada, Halifax, Saint John, Montreal and Vancouver. The plans drafted by the harbour commission of Quebec specified sliding doors, but the consulting engineer, knowing

that they would not be suitable to the climate in the city of Quebec and would be absolutely impracticable during the hard winter season, suggested the use of more up-to-date doors, what are called bifolding doors. I think my hon. friend from Quebec South will admit that it is a great improvement.

Mr. POWER: It sounds convincing.

Mr. DURANLEAU: Moreover, he suggested expansion joints in the building, and I am informed that this is a very important improvement. If a part of the shed moves the rest will stay—

An hon. MEMBER: Put.

Mr. DURANLEAU: —solid.

Mr. POWER: The explanation is very clear.

Mr. DURANLEAU: I am sorry my knowledge of English is not as good as my hon. friend's, many hon. gentlemen on the other side are laughing, but if they were called upon to express themselves in French, which is an official language, they would have some trouble.

Mr. MACKENZIE (Vancouver): You try talking Gaelic.

Mr. DURANLEAU: My hon. friend might do better in that tongue.

Mr. GRAY: It is not the language but the explanation.

Mr. DURANLEAU: My hon. friend quoted from an order in council awarding a contract to Mr. Maranda of Quebec. Let me say that everything has been done on reports of the engineers; the changes have been carried out on their reports and I hope my hon. friends will not object to the fact that I got the contractor to lower his tender from $389,000 to $354,000, which is practically cost price, I am told by the engineers. I do not think my hon. friend would object to that.

Mr. POWER: I was praising you for raising it in another case.

Mr. DURANLEAU: We were glad to grant the contract to a man from Quebec who had considerable experience, who knew the unemployment conditions, and who I am told is doing all he can to relieve the situation there. I do not think my hon. friend's point is well taken when he says we should not employ engineers because we should give the full amount of the vote to labourers. These are very important public works and they should be properly supervised.

[Mr. Duranleau.]

Mr. EULER: In the debate last night the Minister of Public Works made reference to the natural desire that exists more particularly in the smaller communities that the work shall be carried out by the people of the community and tenders accepted from contractors in that locality. It does not always happen that the tenders are restricted to the one community or town; tenders are often received from contractors outside, perhaps in the larger cities. I should like to know whether the minister observes the practice entirely of confining the granting of contracts to people in the particular town in which the work is to be carried out or, if tenders are invited or received from other places, and they happen to be the lowest, whether the contract is necessarily given to the lowest tenderer or whether there is a tendency to restrict the giving of the contract to the people of the town itself. If the minister does intend to give the contracts to residents in the locality in which the work is to be carried out, then it is hardly fair to expect men from outside to tender when there is no practical possibility that they will receive the contract even if their tender is the lowest. I should like to have an expression of opinion from the minister on that point.

Mr. STEWART (Leeds): That is a problem that confronts the department in each individual case. The department feels under obligation to get reasonable competition, and if you make the circle of tenders too limited you are not likely to get that measure of competition which is necessary for the protection of the public interest. Therefore in some cases public tenders are invited, and when there is, in the town or city where the work is being carried on, a contractor who is possibly not the lowest tenderer, then an opportunity is given him to take the work at the amount of the lowest tender, if he is willing to do so. My hon. friend may say that is not fair—

Mr. EULER: It certainly is not.

Mr. STEWART (Leeds): —to the man who has been invited to tender.

Mr. EULER: It certainly is not.

Mr. STEWART (Leeds): It is not a new practice in the department.

Mr. EULER: That does not make it right.

Mr. STEWART (Leeds): In connection with every tender that is issued, in the form there is a provision that the lowest or any tender is not necessarily accepted, so they all tender with that information in view. That is well understood. But again I say the

object is in the first instance to get reasonable and fair competition, and if in connection with fairly large works you limited it to the particular locality you might not get that competition. The circle is therefore made wider, and it is only where there is a competent local contractor who is willing to do the work at the lowest tender that he gets it. That is not done in many instances; it has been done in eight or ten.

Mr. EULER: I am amazed at the statement made by the minister. He has told the committee in so many words that they are practically using outside contractors, putting them to the expense of preparing tenders, probably putting up deposits, only for the purpose of getting the man in the locality itself down to the price of the outside man.

Mr. STEWART (Leeds): My hon. friend has entirely misunderstood me if he says that is the object or purpose.

Mr. VENIOT: That is the effect.

Mr. STEWART (Leeds): That is not the motive. Public tenders are invited.

Mr. EULER: I am not trying to do the minister an injustice, but he stated that it was his purpose to get sufficient competition —that is proper—and in order to get sufficient competitive bids he invites outsiders, men not living in the locality, to tender—

Mr. STEWART (Leeds): Public tender.

Mr. EULER: —and then he says that if the outside man submits the lowest tender he will give the work to the man within the locality, getting him to do it at the amount of the tender submitted by the outsider. In other words, he is merely using the outsider for his own purposes and doing him an injustice. I protest against that sort of thing. It is not a fair way of doing business. The minister ought to decide to give the work to the man within the town or, if he invites tenders from outside, and they are substantially lower, then he is in duty and in honesty bound to give the work to the lowest tenderer.

Mr. MACKENZIE (Vancouver): some time ago, in fact when the discussion opened, I asked a question of the Minister of Public Works and he has not yet replied. I wish to direct his attention to the general provisions of schedule A of the bill and to point out to him that to ask the committee to pass these items as they are set forth is simply an outrageous procedure. I wish in all kindness to the minister to look at these items which we are asked to pass in blank. If ever a blank cheque was asked for by the present administration in connection with unemployment relief, it is by this bill that we are now discussing. The first item in the schedule is:

Railway grade crossings, $1,000,000.

We are not afforded a single piece of information as to where the work is to be carried out in regard to railway grade crossings. Before we pass this schedule or even clause 2 of the bill, the committee is entitled to the fullest and most detailed information in regard to the plans of the minister or of his colleagues, whoever they may be that are concerned in this, as to the work with respect to this particular item.

Mr. MANION: May I inform my hon. friend that this is an item the work under which will be done under the supervision of the board of railway commissioners. Therefore no information could possibly be given because we do not have any. The board of railway commissioners are the people who will choose the grade crossings to be corrected.

Mr. MACKENZIE (Vancouver): That is the first information the committee has been given in regard to this matter. We have just dragged it out of the Minister of Railways who came into the room a few minutes ago. I asked the question of the Minister of Public Works about two hours ago. We have no information whatever about this item of railway grade crossings.

Mr. STEWART (Leeds): I think my hon. friend wants to be fair.

Mr. MACKENZIE (Vancouver): Yes.

Mr. STEWART (Leeds): He suggested that we go into the schedule and I said that I had no objection whatever to doing so. Immediately the hon. member for Quebec South rose and engaged in a controversy with the Minister of Marine. This is the first question that has been asked.

Mr. MACKENZIE (Vancouver): If the minister will pardon me, I have the floor. These works are under two or three or four ministers. The Minister of Marine is one; the Minister of the Interior is another; the Minister of Public Works is another, and the Minister of Railways and Canals is another. We do not know where we are at, and the country does not know where it is at. When I ask a question of the Minister of Public Works, somebody else has to reply. I asked him a question with regard to railway grade crossings and I receive an answer from the Minister of Railways. It is an insult to the

committee, having regard to the fact that we protested in a similar way last year, that we are asked to pass this bill without having all the information in connection with the items included in schedule A.

Let me ask the Minister of Public Works to compare schedule A of this bulk sales act which he brings before the committee in an endeavour to have us swallow it holus-bolus in a hurry, with schedule A of the act of last year. In the schedule of last year's act every single item of from $2,000 up was more or less itemized. It was itemized in two ways: first, in regard to the particular territory or the particular manner in which the work was to be carried out, and, second, in regard to the manner of the expenditure. Let us look at the schedule of the bill of this year. The first item is $1,000,000 for railway grade crossings. Then we come to the next one:

Geological surveys and investigations in the Northwest Territories and—

In the beneficent clarity of the administration:

—elsewhere in Canada.

Did anyone ever see a more studied insult to the intelligence of a committee of parliament than to ask us to pass an item amounting to $1,000,000 for geological surveys "elsewhere in Canada"? What is against the administration submitting this schedule to the bill—

Mr. STEWART (Leeds): Let me answer.

Mr. MACKENZIE (Vancouver): No, the hon. member may answer when I am through.

Mr. STEWART (Leeds): I thought the hon. member wanted information.

Mr. MACKENZIE (Vancouver): The minister has a great deal to answer for before he justifies this schedule. I want something more from the minister, and unless we get details of these items he will never get them through the way they are now. I for one object, because this is a studied insult to the intelligence of the committee.

The next item is:

Montreal harbour improvement and deepening, $3,500,000.

We are given no information in regard to the nature of the improvements that are to be carried out there. The Minister of Marine smiles; he probably had every single detail prepared weeks and months ago, prepared after consultations, after conferences, yes, perhaps with one of those wonderful engineers whose names were mentioned to-night in connection with the orders in council and contracts which we had submitted to us. Yet, while my smiling friend the Minister of Marine has locked up in his heart this information in regard to the Montreal harbour improvement and deepening, the committee and parliament are asked to support this moribund administration in its desire to go home for six weeks, and further we are asked to swallow this schedule holus-bolus and to vote $3,000,000 without the slightest bit of information as to how the money is to be expended.

Let us proceed further down this iniquitous line. The next item is:

Quebec harbour improvements and maintenance, $1,250,000.

This is no doubt justifiable; I am not criticizing it, but has the Minister of Marine again been consulting clandestinely with one of his favourite engineers? Has he had this information locked up in his heart for weeks? Has he had any consultations about this item? Yet, if he has, he will not tell the committee the details of this proposed expenditure of $1,250,000 for harbour improvements and maintenance at Quebec.

Then we come back to canals, and I must leave the Minister of Marine and direct my observations to my genial friend the Minister of Railways and Canals, another member of the triune partnership we have here, without a single minister being responsible. As regards canals, repairs and improvements, we are left entirely without any information as to how this amount of $750,000 is to be expended.

Mr. MANION: As long as my hon. friend continues speaking, we shall continue to be without information.

Mr. MACKENZIE (Vancouver): The Minister of Railways was not in his place two hours ago. He should be in his place.

Mr. MANION: I have been in and out of the house all evening waiting for the hon. member for Quebec South to cease cross-questioning the Minister of Marine.

Mr. MACKENZIE (Vancouver): I have just been told that the minister was in and out. He is like the present government. He is in just now, but he will be out very soon.

The next item is:

Western conservation works, $500,000.

An hon. MEMBER: Conservative works.

Mr. MACKENZIE (Vancouver): Not Conservative works, conservation works. Is this under the Minister of the Interior?

Mr. MURPHY: Not the Minister of the Interior.

Mr. MANION: The Minister of Agriculture.

Mr. MACKENZIE (Vancouver): Where is the Minister of Agriculture? Where is the minister who is supposed to give the information? We have discovered a fifth minister, and the proper one is not here to answer for the estimates when they come before the committee.

Then we have a tunnel; the next item is:

Tunnel at west entrance Toronto harbour, $1,000,000.

Where is the hon. member for East Toronto (Mr. Church)? He is the only "minister" who can answer for this. Who is responsible for this item? Is it the Minister of Railways?

Mr. MANION: No.

Mr. MACKENZIE (Vancouver): The Minister of Agriculture, the Minister of the Interior, the Minister of Marine?

Mr. STEWART (Leeds): I will take that.

Mr. MACKENZIE (Vancouver): The Minister of Public Works is responsible, I suppose with the blessing of the hon. member for East Toronto. This whole bill is in the name of the Prime Minister, and he is not present. The acting Prime Minister knows nothing whatever about these items, and the responsible ministers are not here to answer as to the details of the items.

Let me take the next one:

Buildings and improvements, Department of Agriculture, $500,000.

Where is the Minister of Agriculture? He is absent; he is not here to explain this item. Does the Minister of Public Works know the details of it?

Mr. STEWART (Leeds): Wait and see.

Mr. MACKENZIE (Vancouver): Does the Minister of the Interior know the details? Does the Minister of Railways know the details? Not one of them, not even the Minister of the Interior knows the details.

Then we come to the next item:

Harbours and rivers generally, $2,500,000.

Is the harbour of Vancouver included in that amount? Where are the amounts to be spent?

Mr. DURANLEAU: In Canada.

Mr. MACKENZIE (Vancouver): What a glorious remark by the Minister of Marine! What a wonderful amount of information given by him! He tells us that $2,500,000 of the people's money to be voted by this committee and parliament—

Some hon. MEMBERS: Oh, oh.

Mr. MACKENZIE (Vancouver): This is no laughing matter, may I tell my hon. friends. This is a proposed expenditure in connection with unemployment relief, and when I ask the Minister of Marine, who is supposed to know something about it, where this is to be spent, he tells me that it is to be "spent in Canada." That is all the information this committee and parliament are apparently entitled to get. It is entirely consonant with the extent of the information we are able at any time to extract by painful degrees from the Minister of Marine. Then I come to No. 10:

Alterations, improvements and additions to public buildings, and to supplement where necessary, upon the authority of the governor in council, specific amounts provided in the schedule to The Public Works Construction Act, 1934, $4,000,000.

A bulk amount of money, blanketed, and no minister has yet given any details in regard to this item. Then the Minister of the Interior has a long item:

To provide for the construction and development of public buildings, camp sites, electric light and telephone systems, highways, bridges, streets, sidewalks, landing fields, air harbours, trails, water and sewer systems, recreational areas, wharves, and river protection works; to provide for the development of historic sites including buildings, repairs and restorations; to provide for the purchase and acquisition of building sites, also—

And this is the finest in the whole evil paragraph:

—to provide for the construction of the Golden-Revelstoke (Big Bend) section of the trans-Canada highway, $1,500,000.

Will the minister tell us how much of this is to be used for the construction and development of public buildings, and where? How much is to be used for camp sites, and where? How much is to be used for electric light and telephone systems, and where? How much is to be used for highways, bridges, streets, and sidewalks, and where? How much for landing fields and air harbours, and where; how much for trails, and where; how much for water and sewer systems, and where; how much for recreational areas, and where; how much for wharves and river protection works, and where; how much to provide for the development of historic sites, including buildings, repairs and restorations, and where these works are to be proceeded with? "To provide for the purchase and acquisition of building

sites"—how much is to be spent for this purpose, and how much on the Golden-Revelstoke section of the trans-Canada highway? We have not been vouchsafed the slightest information from any responsible minister of the crown in regard to any one of these items.

Then next is the Lac Seul protection works, $175,000. We have not been told the nature of these works.

Mr. GORDON: I know something of this. The Lac Seul protection works are very closely allied to the Seven Sisters falls.

Mr. MACKENZIE (Vancouver): My hon. friend is out of order; I did not give way. My point is that until someone interrupted me no one has yet given any information to this parliament in regard to these items.

Mr. MANION: Nobody could; you will not wait for it.

Mr. MACKENZIE (Vancouver): It is all very well for my hon. friend to say that, but it should not be necessary; it should have been in the schedule.

Mr. MANION: That is just common ordinary nonsense.

Mr. MACKENZIE (Vancouver): Then what you put in last year was common nonsense.

Mr. MANION: The hon. gentleman is just making a political stump speech, that is all.

Mr. MACKENZIE (Vancouver): My hon. friend is out of order. Take the estimates of the Department of Public Works, the ordinary estimates for this year, and what do you find? You find public works chargeable to income amounting to $13,024,050, and you find every single item detailed so that it can be discussed by members of the house and the fullest information can be given when the items are before the committee. But when we come to schedule A of this year's legislation Public Works Construction Act we are asked to vote millions and millions in bulk without the slightest information. Last year, as the Minister of Railways will recall, we made the same complaint, offered the same criticism, and we got then a reasonably detailed schedule, so that this committee and the house and the country were in possession of reasonable information concerning the proposed expenditure of public money. I say in the sincerest possible way that when the Minister of Public Works, the Minister of Railways, the Minister of the Interior, the Minister of Agriculture,—who is not here—and the Minister of Marine are all joined as the great quintuplets in these expenditures which we are supposed to authorize this evening, they should give this committee the most detailed and exhaustive information in order that we may pass upon them intelligently.

Mr. STEWART (Leeds): My hon. friend seems to have become impatient, and rather carried away by the opportunity which he thinks has presented itself of making a political stump speech on this occasion.

Mr. JACOBS: On this political bill.

Mr. STEWART (Leeds): I want to call his attention to the regular estimates of this department as they have been prepared year after year under every government. The schedule to this bill contains just as much information as is contained in the estimates of the department year after year.

Some hon. MEMBERS: No, no.

Mr. STEWART (Leeds): My hon. friend complains about information not being given. In the estimates of the department for years no details are given—just specific amounts. If hon. members desire information in regard to these items it will be cheerfully given, but we ask to have an opportunity of giving it before we are condemned for not giving it.

My hon. friend speaks about the schedule of last year containing details as to different buildings. When you compare the scope of the schedule of last year with the scope of the schedule of this year it will be apparent that just as much information is given this year as was given in the schedule of last year.

Mr. MACKENZIE (Vancouver): No.

Mr. STEWART (Leeds): With regard to any of these items upon which information is desired I can only say that so far as they come under the control of the Department of Public Works we are prepared to give information. My colleague has given information in connection with the railway crossings—

Mr. MACKENZIE (Vancouver): We did not get very much.

Mr. STEWART (Leeds): As to the second item my hon. friend speaks about, geological surveys and investigations in the Northwest Territories and elsewhere in Canada, my hon. friend knows that the Northwest Territories are under the control of this parliament and that the other areas are to a large extent, particularly in matters of this kind, under the control of the provinces. That is why the wording is as it is. Again I say that in

this bill there are only fourteen items as against over a hundred in the other bill, and these items are of an altogether different character. Where it is possible to give the information it has been given. With regard to the amount for buildings, it is the same kind of item as was in the bill of last year. We are prepared to give all the information that the committee desires, and as much as we give in connection with the regular estimates when they are submitted to the house.

Mr. ELLIOTT: I am very much interested in the explanations that have been given so far as to the details of these various items—

Mr. STEWART (Leeds): They have not been given yet.

Mr. ELLIOTT: I think the best explanation was given by the Minister of Public Works when he said that whereas there were one hundred and eighty-five items in the Public Works Construction Act of last year there are only fourteen in this—

Mr. CASGRAIN: Fourteen points.

Mr. ELLIOTT: Surely that is the best evidence we could possibly have that these iniquitous items in the schedule of last year, Nos. 75, 78 and 135, the blanket items to which this committee objected so vigorously, have just had the effect of leading on the gentlemen who prepared this schedule to think that this year they could get away with the whole of the estimates in that way. Now let us carry that a step further. Why not put in the amount of $17,940,000 and say, "for public works generally throughout Canada"? Apparently that is where we should be next year if it were possible for this government still to be in power at that time.

Mr. MacNICOL; They will be; there is no doubt about that.

Mr. ELLIOTT: A first class joke.

Mr. MacNICOL: It is no joke, and you know it.

Mr. ELLIOTT: May I say this also—and I think it is very interesting in view of the splendid explanation given by the Minister of Marine in regard to the architects: my hon. friend will remember that last year I made a complaint, and made it again last night, with regard to the great number of departments involved in this work and the comparative absence of responsibility in connection with these various works. I was interested in a report appearing in the Ottawa Citizen to-day; I was reminded of it when I heard the explanation of the Minister of Marine with regard to architects and engineers. This is a summary of the report of the civil service commission, and the heading is:

Civil Service Commission Criticizes Government Policy Sharply
Points to Undesirable Effect of Ban Placed On Permanent Appointments and Promotions

This is a long report; I will read just this:

Likewise the commission is critical of the government's actions in placing outside the commission's jurisdiction the staffs of new public bodies being set up, for example, staffs employed under the Natural Products Marketing Act and the Public Works Construction Act of 1934.

That is the report of the civil service commission with regard to the iniquitous effects of the system that is bound to grow up under a program of this kind, of engaging architects and engineers here and there and paying them apparently whatever salaries those gentlemen consider they should get, and what the ministers consider they should be paid.

I think the Minister of Railways and Canals should give us some details with regard to the railway grade crossings, as to the way in which this work is to be done. For a number of years I have been urging that one of the best ways to utilize money for unemployment relief would be to eliminate a number of the level crossings that exist throughout the country and that have caused a great deal of trouble and many fatalities in recent years. I think we should have some idea as to how that work is to be done. I think it desirable that to a very large extent it should be done in the rural sections, because what has been done already has given better protection in the urban areas. In a time of great difficulty for the people living in the rural sections it would afford employment and a certain amount of relief, and I think we should have those details.

I should like to say a word with regard to these geological surveys, which have been dealt with so well by the hon. member for Vancouver Centre. Surely the Minister of Mines does not expect this house to pass this item without knowing where and how this money is to be expended.

There is another protest I want to make at this time. A night or two ago, I think, the minister said this Public Works Construction Act was passed on June 30. My recollection is that it was passed just before the house closed; it was introduced only a couple of days before. With a program of this kind is it fair to ask the house, when we expect to

adjourn within a day or two, either to hold up the adjournment or to adopt the program without knowing all the details? Now that the acting Prime Minister and these various ministers are present I want to ask the government if they think the members of this house can discharge their responsibilities to their electors and at the same time allow this schedule to go through by six o'clock tomorrow evening. Is that a reasonable proposition, with this large expenditure? Is it a fact that this measure has been delayed while we talked about the tourist traffic and various other matters that do not mean a thing to the people of this country—including the budget debate conducted by the other side—until this time, with the idea that it might be put through without the members of this committee knowing exactly what it meant? That happened last year, and we thought we were being rather imposed upon then, when we had 185 items covering the public works construction program. It is true that a number of those items dealt with large amounts with which they should not have dealt. It is true that extracted from some of those large amounts, as I mentioned last night, were sums to build wharves, breakwaters and other things that should have been submitted to the committee in a separate list. Under this program almost anything can be done unless these sums are allocated. What I say, and I take full responsibility for it, is that these items should not pass this committee until we get details reasonably similar to those furnished last year. Do the government think that is an unfair request? Last year if it was intended to construct a little building costing $6,300—and some buildings cost much less—it was considered advisable to tell the committee where that building was to be constructed and what was the need for it. Do this government think they have increased in popularity and in the confidence of the people to the extent that this year they can get away with a thing like this? They know better than that.

I repeat, Mr. Chairman, that the members of this committee will not be discharging their full responsibility by allowing this bill to be put through in this way. So far as I am concerned, and I think this is the general view of the committee, unless we get details somewhat similar to those that have been given in connection with public works until this year, ever since we have had a public works department, I say this schedule should not pass.

[Mr. Elliott.]

Mr. MANION: The hon. member who has just spoken, and particularly the hon. member for Vancouver Centre, apparently have worked themselves almost into a sort of intoxication—and when I say that I am not referring to spirituous intoxication—in regard to this terrible crime which we are committing in passing or proposing to pass such a bill as this in the dying days of the session. Hon. gentlemen opposite, including the leader of the opposition and half a dozen others, have boasted on many occasions that if we asked for $50,000,000 or $75,000,000 or $100,000,000 they would give it to us at once, but they said, "Don't ask us for a blank cheque." Now we ask them for $18,000,000, and they are still troubled.

Mr. ELLIOTT: May I ask a question?

Mr. MANION: No; I have the floor for the moment. I want to tell you, Mr. Chairman, that this group, including the hon. member for West Middlesex who was Minister of Public Works and some of the others over there, passed $250,000,000 in 1929 for railways alone, but now they talk about $18,000,000. With regard to the expenditures on these public works let me give a few items from their last estimates, for the year before the election. I sent out for them just now; I have looked over them, and I am going to mention a few on which I have laid my fingers.

They talk about this terrible item for railway grade crossings for which the sum of $1,000,000 is proposed. The hon. member says this is not the proper way to do it. What is he objecting to? It is put in exactly the same way in which it has always been put. Whenever money has been voted for the grade crossing fund it has been voted exactly as it appears here. Yet the hon. member gets up in pious indignation and says we are committing a great crime by putting it in as it has always been put in. Let us turn to the ordinary estimates for 1929-30, the session before the election. Here is one of them:

Canals, staff and repairs, $2,690,812.

That is one item for over $2,000,000. Yet the hon. member for Vancouver Centre says, "Why don't you give details?" Here we have committed the horrible crime of putting down $750,000 for repairs and improvements to canals. Yet we find that before the election when hon. members opposite were in office one item for $2,690,812 was voted, and no details were given. We ask for only a quarter of that amount, and yet hon. mem-

bers opposite demand the details. That is one item which shows the hypocrisy and humbug in their method of doing things. It shows the humbug and the hypocrisy which my hon. friends over there have been carrying out for five years throughout the whole Dominion of Canada. They have had no policy, no leadership—well, no leadership except such as we witnessed this afternoon which came to the defence of people who are defending themselves every day in the newspapers. This is the type of leadership we get. No policy of any kind in five years, no constructive suggestions of any kind. But when we wish to vote the terrible amount of $18,000,000 on public works this is the type of abuse we have poured upon us.

Let us turn to another item in the estimates for 1929-30, under lighthouse and coast service:

Maintenance and repairs to lighthouses, $900,000.

Yet we are committing a terrible crime by attempting to get $750,000 for repairs and improvements to canals. On the other hand they voted $2,690,812 for staff and repairs for canals, and they had a further $900,000 for maintenance and repairs to lighthouses. Again we have not one word of detail.

Mr. DUFF: Are those lighthouses for the Bahamas or the Leeward Islands?

Mr. MANION: Then, we come to the next item in their estimates:

Construction of lights and aids to navigation, including regulation of traffic at such places as may be found necessary, $930,000.

That is all the information that is given. Then, on the next page we have the following vote:

River St. Lawrence ship channel—

—which the hon. member for Vancouver Centre abused in that wild, arm swinging way of his. This is the item in their estimates:

River St. Lawrence ship channel—
Maintenance, operating, repairing dredging fleet and providing necessary boats, vessels and equipment, also maintenance, operation and repair at Sorel shipyard, $3,108,000.

Just about the same amount is given in our bill. While this is said to be a terrible crime when we vote the money for the relief of unemployment, of course it was no crime for hon. members opposite. Their next item:

To provide for the construction of regulating and retaining dams in the St. Lawrence river, $1,100,000.

There is a total, in those two items, of $4,208,000 in ordinary items. Then on the next page, under ocean and river service, there is the following item:

Amount required to replace three dominion steamers which are no longer serviceable, $550,000.

That is all the detail we are given. We are given no detail, except that they want three more steamers just before the election. We turn to another page:

Lower lakes terminal, $1,250,000.

That was for the Prescott elevator. I repeat that was for the Prescott elevator, built when the hon. member who has just taken his seat, the late Minister of Public Works, and the present member for West Middlesex, was in office. It was built where an elevator never should have been built, namely, at Prescott. It has stored hardly a bushel of grain since it was built and was built for the purpose of favouring some of the friends of members of the late government who owned property in that neighbourhood. That is what it was built for, and the only reason for which it could have been built. I repeat, that is the only reason for which it could have been built. Then, on the next page—listen to this:

Construction (revote $1,500,000), $10,000,000.

Welland ship canal—$10,000,000 in one item —and that is all the detail that is given, $10,000,000. Hon. members opposite talk about the $18,000,000 we are asking for the whole public works program, and when they talk about it they get into a furore of indignation. Yet we find in this one item for construction a vote of $10,000,000 and a revote of $1,500,000, but no details given. Then we turn to another page and find this item:

Live stock, including grants to exhibitions, feeder shows, etc., $1,530,000.

The next item is for experimental farms. The hon. member for Vancouver Centre got worked up about the amount of $500,000 for which we are asking, but we find in the estimates I have before me the following vote:

Experimental farms, including necessary new buildings, $2,050,000.

I have read only a few of the items which hon. members opposite voted. Yet the whole amount for which we are asking in the bill is only $18,000,000. Two or three of the items which they passed—and I am not counting the $250,000,000 for railways—in the ordinary items in the year of the election amount to far more than the amount for which we are asking in our bill. And when all is said and done, I give them credit for spending the money; I do not

object to it. I do object, however, when hon. members opposite take their holier-than-thou attitude and seem to think we are committing a crime by not giving details which they never gave and which no government has ever given. I say they are stooping to humbug of the worst sort. I will tell them now that so far as I am concerned if this bill is held up by to-morrow at six o'clock, when we leave here, they may take the responsibility.

Some hon. MEMBERS: Oh, oh.

Mr. MANION: Yes, they may take the responsibility. If there is no money spent on railway grade crossings they can take the responsibility.

Some hon. MEMBERS: Oh, oh.

Mr. MANION: If there is no money spent on geological surveys in connection with one of the greatest industries which we have—

Mr. CASGRAIN: You spent only about $3,000,000.

Mr. MANION: We have much of it to spend yet, but we passed it in a regular bill which has nothing to do with this one.

Mr. CASGRAIN: There was enough to spend.

Mr. MANION: Geological surveys are most important. One of our greatest industries in Canada to-day is the mining industry. If the bill is not passed this most important work will not be done. Then, we come to the amount for the Montreal harbour improvement and deepening. The Liberal member who spoke for the buying of railway equipment in Montreal can take the responsibility if this bill is not passed.

Then we come to the Quebec harbour improvements and maintenance. The hon. members for Quebec East (Mr. Lapointe) and Quebec South (Mr. Power) can take the responsibility if the money is not spent in Quebec harbour.

There is an item for the tunnel at the western entrance to Toronto harbour. The Toronto Liberal member may take the responsibility for that. And in connection with the other items, right down the list, hon. members opposite will have to take the responsibility. So far as I am concerned I do not care whether the bill passes or not, except in this way, that I believe that had it been three or four times as great it should have passed as quickly. My hon. friends opposite mean nothing at all when they stand up in this house and say, "Take $50,000,000 or $100,000,000, but do not ask for a blank cheque." It is the responsibility of hon. members opposite, if the work is not given to the people in different parts of Canada. My hon. friends can take the responsibility, and they will certainly get it so far as I am concerned.

Mr. MACKENZIE KING: May I say to the minister who has just spoken and to his colleagues that, if the government are unable to give us before we are asked to pass the bill by six o'clock to-morrow night, the reasonable information which we have requested, we are quite prepared to stay here the rest of this week and the rest of this month.

Mr. MANION: We will probably take you at your word.

Mr. MACKENZIE KING: We are prepared to remain here continuously until we get the information from the government. If the government are considerate of the unemployed, and if it is urgent that the money be voted, they will perhaps consider the convenience of the unemployed and the country, rather than their own convenience in the matter of the adjournment.

May I point out just how unreasonable in its present position the government really is. Let us turn to the main estimates as they were presented to this parliament and see what the government proposes for the geological survey. We find at page 47 of the main estimates for the fiscal year 1935-36, what the government is asking for as this year's appropriation for geological surveys. These are the words:

> For explorations, surveys, and investigations; for publication of English and French editions of reports, maps, illustrations, etc., relating thereto; and for salaries and wages of explorers, topographers and others, $190,000.

According to the estimates, that is an increase of $8,750 over what was asked for in the previous year. Let us now turn to the schedule in the bill. Item two of the schedule is as follows:

> Geological surveys and investigations in the Northwest Territories and elsewhere in Canada, $1,000,000.

The words "in the northwest territories and elsewhere in Canada" might as well be stricken out, because they are embraced in the general item for geological surveys and investigations. What is the position? We have in the main estimates, placed before parliament in the present year, an appropriation of $190,000 only, for the expenditure of which the government must give a full explanation; and we have in this one item in the schedule an amount of $1,000,000 for exactly the same services. There are the words—geological surveys and investi-

gations. In the main estimates the amount was $190,000, and in schedule A it is $1,000,000. I ask hon. gentleman is it reasonable that this house should be asked to vote $1,000,000 without any explanation in detail as to how this money is to be spent, when explanations in detail are given in the main estimates? And what is true with respect to the geological surveys and investigations is equally true with regard to the other items in the schedule.

Last year we had exactly the same situation to face. A little earlier in the session the government attempted to bring in its request for additional supply for relief purposes in the form of lump sums. We indicated very plainly when it came to the bill for relief purposes that, unless we could get the specific amounts in connection with the items, and reasonable information given, the government could not expect us to pass those items without very considerable debate and discussion. Well, the government found it possible to give us the details. We are just as anxious as hon. gentlemen opposite to make provision for all that is necessary in the way of providing employment and unemployment relief, and I would suggest that, between now and the time we meet to-morrow afternoon, the several ministers who are asking for appropriations under this particular schedule get together the details they know will be expected and have them ready to give the house when we take up this measure again. As has been pointed out, this schedule is really a supplementary estimate affecting six different departments of the government. In respect to some of them, it not only duplicates but actually increases the moneys voted in the main estimates. In the case of the geological survey, for example, the amount is increased five times.

Mr. GORDON: Do you object to it?

Mr. MACKENZIE KING: I object to not getting information, most distinctly so. I object to voting one million dollars for any purpose without an explanation from the government.

Mr. MANION: With all due respect to my right hon. friend, we have had no chance to make any explanation at all.

Mr. MACKENZIE KING: May I point out that in the main estimates there is printed an explanation in very considerable detail. The total appropriation for the Mines department, for instance, is in the main estimates, given under three or four headings. An explanation of the geological survey is given in considerable detail, with reference to salaries, wages and the like. When, in committee of supply, the minister is asked for information on those details he has his deputy in front of him with a prepared statement with respect to all the particulars. There is not a deputy minister on the floor of the house to-night although six different departments of the government are affected by this bill, and not a minister is in a position to give the details.

Mr. STEWART (Leeds): I am certainly in a position to give details on every item.

Mr. MURPHY: I am prepared to give details, and my deputy has been prepared to come here for over an hour, but he has not had the opportunity yet.

Mr. MACKENZIE KING: I have no doubt the minister will be in great need of him to-morrow. I just wish to repeat that, so far as we are concerned, we are quite prepared to sit on here steadily until the proper information is given, I suggest to the government that they get the information which will enable us to pass these items before there is an adjournment of this house.

Mr. RHODES: May I suggest to my hon. friend that the opposition and the house are entitled to full information with respect to these items, but I submit to him with the utmost deference that we have not had the opportunity to submit any information which we have every intention of giving, and which we are prepared to give. My hon. friend from Quebec South (Mr. Power) took up a very considerable portion of the evening, as did my hon. friend from Vancouver Centre (Mr. Mackenzie), and on one or two occasions when ministers rose offering to give information hon. gentlemen opposite said, "I have the floor." Now I submit that if it is information that is required, all that is necessary is for the right hon. gentleman to say: Item No. 1, what do you propose to do with that money? When he fails to get an answer, then it will be time to complain, and not when the ministers have not had an opportunity to give information owing to the length of time that has been taken in speeches. I assure my right hon. friend that the information will be given in extenso if the ministers are furnished with an opportunity to give it.

Mr. POWER: I have not yet received the information with regard to last year's expenditures, although I spent an hour or two asking the minister to table the orders in council with respect to the expenditures of last year. I asked him a week ago to give me that information. I asked him on Jan-

uary 21 of this year to give me the orders in council with respect to that expenditure, and he has not yet given them to me. How can we expect to be able to get all this information that is required about these items when we have not been able to get in three months an account of the money that has already been spent? I submit that I was perfectly justified in asking the minister to give me the information. Not only that, but he could not tell me the salary he was paying to one of his prize engineers. He said he did not know, and I believe him. He said after a while that he could get it in five minutes, but four hours have passed since then and I have not got it yet.

Mr. DURANLEAU: I have got it now.

Mr. POWER: May I congratulate my hon. friend?

Mr. DURANLEAU: My hon. friends opposite have been addressing the house for two hours and have not given us a chance to give any information. I have been paying to Mr. Gohier in Three Rivers, under contract in due form, the sum of $10,000 on a $400,000 job.

Mr. POWER: What about Chicoutimi?

Mr. DURANLEAU: Wait a minute. I have been paying him $10,000 when my hon. friends opposite were paying to Mr. Swan for the work at Three Rivers five per cent. My hon. friends can laugh, but during 1929 and 1930 these gentlemen on the other side of the house, Mr. Chairman, paid about $100,000 to Mr. Swan only for the work in Three Rivers, and about $100,000 to the same man for the work in Chicoutimi, and that man had a contract with those two harbour commissions for the life of the commissions at five per cent on all the works they would perform. We are paying to Mr. Gohier, under a specific contract for a work of $153,000 at Chicoutimi, $4,000, which is less than one-half what my hon. friends were paying to Mr. Swan at both Three Rivers and Chicoutimi. My hon. friend from Quebec East (Mr. Lapointe) is laughing.

Mr. LAPOINTE: That is the only privilege I have.

Mr. DURANLEAU: Next time, Mr. Chairman, I will bring down the figures paid by my hon. friends to Mr. Swan, under agreements executed under the Liberal regime, and this will put an end to the criticism of my hon. friends.

[Mr. Power.]

Mr. POWER: In the meantime, will the minister give me the contracts I asked for?

Mr. DURANLEAU: They are here.

Section stands.

Progress reported.

BUSINESS OF THE HOUSE

Hon. E. N. RHODES (Minister of Finance): May I say to my right hon. friend that whether or not it is wise to have a prolonged adjournment, the fact is that we have carried the motion for adjournment, which will mean that automatically this house adjourns to-morrow evening at six o'clock. That matter having been determined, I respectfully submit that it is idle to discuss the question now of continuing so far as this bill is concerned and not having an adjournment. But I can assure my right hon. friend that there is no desire so far as the government is concerned to deny the fullest information to the opposition if they will only permit the ministers to make reply with respect to the several items. If the house is agreeable I should be quite content by unanimous consent, if it is so desired, that we adjourn until eleven o'clock to-morrow morning, which would give us two extra hours for the purpose of securing full information on this bill. We desire to get royal assent to-morrow afternoon. This suggestion that we meet at eleven o'clock to-morrow may not meet the views of the house. It could be done only by unanimous consent, but I submit it in good faith and with the object of accommodating the house in getting the information it desires.

Mr. MACKENZIE KING: In reply to my hon. friend as to whether it is wise or not to have the proposed adjournment, may I point out that the government did not bring in this particular bill until yesterday, and that I do submit is not in any way the fault of hon. gentlemen on this side. I would add further that, whether wisely or not, whether intentionally or not, members on this side were not furnished with a copy of the bill until this morning. I do submit that if the government were really concerned about getting this measure through before adjournment—and they knew two weeks ago that we were going to adjourn to-morrow—the measure should have been brought forward considerably earlier. Particularly is this the case in view of the fact that as we have pointed out each year, the government has waited whenever it has come to voting money for relief, until the last moment, a day or

two before an adjournment or the close of the session. So far as I personally am concerned, I am quite agreeable to falling in with the suggestion made by the Minister of Finance, of having the house adjourn until to-morrow morning at eleven o'clock. If that is done, however, I submit that we shall expect the ministers to be in a position to give us the full details required with respect to the different items that are mentioned in the schedule. A general reply to the effect that money for geological survey is to be used for geological survey purposes will not suffice to justify the passing of the measure in this form. I think we ought to have the details in the form in which they were given last year, and the form in which we would expect to find them in the estimates. I express my own view with respect to meeting in the morning. It has to be by unanimous consent, and I do not wish to impose an obligation on anyone else. But if it will help to meet a situation for which the government is wholly responsible, for my part I am quite prepared to cooperate to that extent.

Mr. RHODES: I thank my right hon. friend for the manner in which he has met my suggestion. I am not complaining about his search for information; that is right and proper, and he and his associates are entitled to complete and full information. I submit that we can start in with the different items in the schedule. I do not think we can give further information than is given with regard to the railway crossing fund, because under the set-up in connection with the expenditures under that fund we are following the procedure which has been followed since the beginning of the operation of the fund. I assure my right hon. friend that the ministers will all be here to-morrow morning, prepared to supply the necessary information.

Mr. POWER: Will they have full details of the 130 estimates?

Mr. RHODES: In that connection let me say this—and I do it in good part. The house is entitled to full information with respect to all expenditures, but I would point out to my hon. friend that we have not completed our main estimates, upon which full information can be elicited with respect to all expenditures.

Mr. MACKENZIE (Vancouver): Not these.

Mr. RHODES: These have not been made; that is the point. Hon. gentlemen will be entitled next year to information with respect to expenditures made under this vote, but they can get full details when the ordinary estimates are under consideration and when the supplementary estimates for this year are brought down. So that they are not denied information. I submit that that information has no bearing on this bill, the expenditures under which are designed solely with the object of meeting the necessity of providing for unemployment relief. Therefore, Mr. Speaker, to test the house, I move that when this house adjourns it shall stand adjourned until to-morrow at eleven o'clock. That motion can be entertained only by unanimous consent.

Mr. MACKENZIE KING: Speaking about following procedure that is customary and proper, I hope the government will be prepared to adopt, regarding these particular estimates affecting public works, the procedure followed with respect to public works generally, of having public tenders called for where the amount to be expended is in excess of $5,000.

Mr. MANION: We will deal with that when we come to it.

Motion agreed to.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Wednesday, April 17, 1935

The house met at eleven o'clock.

ADDRESS TO HIS MAJESTY

Mr. SPEAKER: I have the honour to inform the house that a message has been received from the Senate acquainting this house that the Senate doth unite with the House of Commons in their address to His Most Excellent Majesty the King and have filled in the blank space therein with the words "Senate and."

ROYAL ASSENT

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

Ottawa, April 17, 1935.

Sir,—

I have the honour to inform you that the Right Hon. Sir Lyman P. Duff, Chief Justice of Canada, acting as deputy of His Excellency the Governor General, will proceed to the Senate chamber to-day at 5 p.m. for the purpose of giving the royal assent to certain bills.

F. L. C. Pereira,
Assistant Secretary to the Governor General.

PRIVILEGE—MR. POULIOT

Mr. JEAN FRANCOIS POULIOT (Témiscouata): I rise to a question of privilege. On page 2772 of Hansard of yesterday I read this:

Mr. Chaplin: Why don't you broadcast it?
Mr. Pouliot: I have to speak loud for those who are deaf and dumb, like the hon. member.

I regret very much that those words appeared immediately after the interjection by the hon. member for Lincoln (Mr. Chaplin), because he is neither deaf nor dumb, and I have a high regard for him. The words applied to someone else. May I add that anyone who interrupts me when I have the floor is courting trouble.

HOUSING POLICY

Mr. A. D. GANONG (Charlotte) moved:

That 1,500 copies in English and 500 copies in French of the third and final report of the special committee on housing be printed in blue book form and that standing order 64 be suspended in relation thereto.

Motion agreed to.

DIVORCE BILLS

Mr. JOHN VALLANCE (South Battleford): With the consent of the house I beg to move:

That the petition of Jean Taggart Harfield, of Mono Road, Peel county, Ontario, at present residing in Verdun, Quebec, praying for a bill of divorce from Bernard Lloyd Harfield, of Mono Road, Peel county, Ontario, and the petition of Lily Usheroff Bruker, of Montreal, Quebec, praying for a bill of divorce from Ernest Bruker, of Montreal, Quebec, together with the report of the clerk of petitions thereon, be referred to the standing committee on standing orders for the purpose of considering the suspension of standing orders 92 and 93 (3) (a) and (c) in relation thereto.

Motion agreed to.

TARIFF INCREASES AND DECREASES

On the order for motions:

Hon. R. C. MATTHEWS (Minister of National Revenue): I lay on the table parliamentary return No. 235, showing decreases in customs tariff between 1922 and 1930. This return is composed of eighty-five pages, each page four feet long. Eight officers and four stenographers have devoted two weeks to its preparation.

Mr. McPHEE: I am glad to see that there have been so many decreases.

Mr. MATTHEWS: Yesterday the hon. member for Témiscouata (Mr. Pouliot) asked me about a return. We are now working on a return for the hon. member for Lisgar (Mr. Brown) which I hope will be completed by the end of the month, and then it is estimated that it will take two weeks to prepare the return for the hon. member for Témiscouata, so that I can say it will possibly be ready about the middle of May.

Mr. J. L. BROWN (Lisgar): The return I asked for would necessarily be included in the return asked by the hon. member for Yorkton (Mr. McPhee). It is strange that it should take longer to prepare the partial report than the other.

INSTRUCTIONS TO LONDON OFFICIALS

On the order for motions:

Hon. C. H. CAHAN (Secretary of State): In reply to a question of the hon. member for Témiscouata as to an order for return passed on April 1, I have made inquiry and find it will not be ready to-day but it will be completed at an early date, and with the consent of the house I will see that copy is given to him during the recess.

CANADA YEAR BOOK

Hon. R. B. HANSON (Minister of Trade and Commerce): Yesterday the hon. member for Nicolet (Mr. Dubois) made inquiry as to when the French edition of the Canada Year Book would be tabled. I find that there must be some misunderstanding as to the publication in question, because the Canada Year Book in English is not yet available. No edition was issued for 1934, but a combined edition for the two years 1934-35 is now in course of preparation and will be available in English and French in June. I am informed by the bureau of statistics. It is possible that the hon. member had reference to a publication entitled Canada 1935, copies of which are now available, of course.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

STE-THÈCLE, QUE., RURAL MAIL CONTRACT

Mr. DESROCHERS:

1. On what date did Mr. Eléodore Plamondon's contract for the carriage of the mail on rural routes 1 and 2, Sainte-Thècle, county of Champlain, expire?
2. What sum did he receive annually?
3. Has the same contract been renewed for the same amount, and for what period?
4. Were new tenders called for in connection with the awarding of said contract?

Mr. SAUVE:

1. December 31, 1934.
2. $750 per annum.
3. Yes, for four years.
4. No.

BRIGHAM, QUE.—MAIL TENDERS, R.R. 2

Mr. HOWARD:

1. Were tenders recently called in connection with R.R. No. 2, Brigham, Quebec?
2. If so, who were the tenderers, and what was the price of each?
3. Who has been awarded the contract, and at what price?
4. What was the cost of the former contract?

Mr. SAUVE:

1. Yes.

2. Raymond Leroy Lawrence, $420 per annum; Marvin Crawford, $425 per annum; Andrew Pollander, $448 per annum; Edgard Lague, $480 per annum; Oscar Demers, $550 per annum.

3. Raymond Leroy Lawrence at $420 per annum.

4. $598 per annum.

Since awarding of the present contract, an extension was authorized increasing the distance from 18 to 19 4/10 miles at pro rata, bringing the cost to $452.67 per annum.

LOANS TO ROUMANIA AND GREECE

Mr. SPENCER:

1. In what year were the loans made by the dominion government to Roumania and Greece?
2. What was the total amount advanced in each case?
3. What was the rate of interest charged?
4. How much has been collected from each?
5. How much interest is now due from each?
6. Is it likely to be repaid, and in what way?

Mr. RHODES:

1. Credit granted April, 1919

2. Roumania, $20,449,083.94; Greece, $7,521,300.67.

3. The original rate was 5½ per cent. In 1922 4 per cent bonds were taken in respect of the debt of Roumania, and in 1923 5 per cent bonds were taken in respect of the debt of Greece.

4. Interest collected: Roumania, $10,594,519; Greece, $3,769,146.01.

5. Roumania, $359,542; Greece, $1,211,026.80

OMER LUSSIER—INCOME TAX INSPECTOR

Mr. DUBOIS:

1. On what date was Mr. Omer Lussier of Quebec appointed Inspector of Income Tax?
2. On whose recommendation was he appointed?
3. Did he pass the civil service commission examination?
4. What salary does he receive?

Mr. MATTHEWS:

1. 1st March, 1932.
2. Then then Minister of National Revenue.
3. No.
4. $4,000.

QUESTION PASSED AS ORDER FOR RETURN

PRICE SPREADS AND MASS BUYING COMMISSION WITNESSES

Mr. BLAIR:

1. How many witnesses gave evidence before the price spreads and mass buying committee or commission?
2. How many of these witnesses received expense allowance or other remuneration?
3. What are the names of the witnesses who received expense or other remuneration, and the amount each received?
4. How many days did each witness attend the sittings of the committee or commission, and what was the allowance or other remuneration per day??

Mr CAHAN: Return tabled herewith.

MOTIONS FOR PAPERS

CUBAN SUGAR IMPORTS

Mr. MacLEAN:

For a copy of all orders in council passed by this government between August 18, 1930, and the end of 1932, dealing with the importation of raw and refined sugar from Cuba or for fixing the price for duty purposes in connection with same; also any orders in council passed since 1932, bearing on this question.

AUTOMOBILES FROM UNITED STATES

Mr. YOUNG:

For a copy of order in council P.C. 297, dated the 19th day of February, 1931, fixing the discount on imported American cars; also for a copy of all bulletins issued under authority of the said order in council.

ST. LAWRENCE RIVER PILOTAGE RATES

Mr. FAFARD:

For a copy of all correspondence, letters, telegrams, exchanged between the dominion government of Canada and any individual or corporation, in connection with the lowering of pilotage rates on the St. Lawrence river, from November 7, 1932, to date.

WESTERN POULTRY MARKETING

On the orders of the day:

Hon. ROBERT WEIR (Minister of Agriculture): Yesterday the hon. member for Yorkton (Mr. McPhee) asked a question as to when the return would be brought down setting out the manner in which the advances had been made to the sponsors of the poultry marketing scheme in the prairie provinces. When the question was first asked a letter was immediately sent to each of the three provinces asking that they send in the returns as soon as possible. In their reply they stated that they would have the returns in from two to three weeks. When we did not receive the returns at that time I had a wire sent to expedite them. We have now received

the returns from Manitoba, the Alberta returns are in the mail, and those from Saskatchewan are expected this week. The hon. member will realize the necessary delays in getting vouchers and returns from outlying districts, but as far as the department is concerned every effort has been made to hasten them.

CANADIAN NATIONAL RAILWAYS

REPORTED REDUCTION IN PRICE PAID FOR COAL IN ALBERTA

On the orders of the day:

Hon. R. J. MANION (Minister of Railways): Yesterday the hon. member for Bow River (Mr. Garland) sent over to me a telegram after asking a question dealing with the matter of a supposed reduction in the price of coal by the Canadian National Railways. By the way, the acting Prime Minister (Sir George Perley) also sent me a copy of the same telegram, which I should have acknowledged yesterday but it had not reached me, it was in my office. I immediately had the telegram telephoned to Montreal and asked the railway officials if possible to have a reply here for to-day, but they no doubt thought the house was going to meet at three o'clock; I expect it will be here this afternoon. I am sorry I have not an answer at the moment, but if I get it later in the day I shall be glad to give it to my hon. friend.

MARITIME PROVINCES

RECOMMENDATIONS OF ROYAL COMMISSION ON FINANCIAL ARRANGEMENTS

On the orders of the day:

Mr. W. C. S. McLURE (Queens): Before the orders of the day are called I wish to direct a question to the right hon. acting Prime Minister (Sir George Perley) or the Minister of Finance (Mr. Rhodes): What steps have the government taken to implement the recommendations of the royal commission on financial arrangements between the dominion and the maritime provinces, known as the White commission, and how soon may action be expected in this regard?

Right Hon. Sir GEORGE PERLEY (Acting Prime Minister): Mr. Speaker, it is our intention after the adjournment to take steps to implement the findings of the commission either by a bill or an item in the estimates.

[Mr. R. Weir.]

SHIPPING ACT

On the orders of the day:

Mr. ONESIME GAGNON (Dorchester) (Translation): Mr. Speaker, I have a question to ask the hon. Minister of Marine (Mr. Duranleau). This year, for the first time and without any previous notice, owners of small coasting vessels trading on the lower St. Lawrence river were denied their clearance certificate by the Department of Marine. I had the opportunity, yesterday, to hand over to the Minister of Marine a telegram which I want to read to the house:

Mr. Onésime Gagnon, M.P.,
House of Commons,
Ottawa.

Conditions at Quebec small coasting vessels intolerable stop Owners calling at office continually stop Customs refuse clearance stop Give them no hope stop Many vessels laden merchants lower St. Lawrence awaiting stop People excited better see minister again and say important take decision stop Some vessels have perishable goods stop Cargo North shore no railway supply depends on small coasting vessels stop Bergeronnes Trader ready to leave to-morrow for Grandes Bergeronnes Eau mineure cannot have clearance stop All coasting vessels and owners cannot understand why taken by surprise such way stop

William Morin.

I wish to ask the hon. minister what decision he intends to take to give justice to these ship owners. I understand that he is not responsible for these conditions which are due to the stupid stubbornness of his deputy minister, Mr. Hawken, but I wish to know what he intends to do about it.

Hon. ALFRED DURANLEAU (Minister of Marine) (Translation): Mr. Speaker, I am not ready to accept the imputation of my hon. friend regarding the deputy minister of the Department of Marine. It is the customs officers who attempted, this year, to insist upon the strict enforcement of the old Shipping Act which requires certificates of competence in certain cases. Up to this day they had always been more lenient as regards the enforcement of the regulations. I must say to my hon. friend that, when I received this telegram yesterday, I immediately sent instructions to get in touch with the customs officers so that the regulations may be applied this year the same as in the past, with the understanding that these sailors shall qualify in the meantime.

Mr. GAGNON (Translation): I thank the minister for the stand that he has taken.

SEASONAL TARIFFS

On the orders of the day:

Mr. ECCLES J. GOTT (South Essex): I should like to ask the Minister of National Revenue (Mr. Matthews) if, when the question of setting dates for the application of seasonal tariffs for duty purposes to certain fruits and vegetables is being considered that favourable consideration will be given to advancing the date for cabbages—applicable last year on June 10—and beans on June 26? Fifteen days would be satisfactory, I am informed.

Hon. R. C. MATTHEWS (Minister of National Revenue): In reply to my hon. friend I would say that the Department of National Revenue does not determine the dates on which seasonal duties will apply to farm produce or the produce of market gardens. This department has not the information as to the surplus on hand, the growing season or the available stock of farm products or vegetables. The fixing of these dates depends upon the advice of the Department of Agriculture.

Mr. GOTT: Then I should like to direct my request not only to the Department of National Revenue, but also to the Department of Agriculture and the cabinet at large, if necessary.

CRIMINAL CODE AMENDMENT

On the orders of the day:

Mr. T. L. CHURCH (East Toronto): Mr. Speaker, five or six amendments have been handed in to the clerk of the house with regard to Bill No. 5, to amend the criminal code. These amendments grew out of the discussion that took place in this house with regard to automobile traffic. I would ask permission of the house to have these five amendments printed in the votes and proceedings for to-day, so that when the bill comes up for second reading after May 20 hon. members will understand what the amendments are. This will require the unanimous consent of the house. There is a rule which provides that amendments to public bills are not published in the votes and proceedings, and how otherwise are hon. members to know what the amendments refer to?

Mr. SPEAKER: Shall consent be given to the amendments being printed in the votes and proceedings?

Some hon. MEMBERS: Carried.

Mr. SPEAKER: Carried.

CANADIAN FARM LOAN ACT

On the orders of the day:

Mr. J. L. BROWN (Lisgar): Some time ago I made a suggestion to the government which the right hon. acting Prime Minister (Sir George Perley) said he would take into consideration. If they have not favourably considered it I should like to renew the suggestion, which was that the farm loan bill with its various amendments should be consolidated and printed in such a form that he who runs may read. It is altogether probable that this bill will be of a great deal of interest to the people throughout the country, but if they write in to the department they will get the original bill, the amendments of last year and the amendments of this year, and I doubt if even the lawyers in the house would be able to understand it in that form. I suggest that the bill be consolidated and furnished to the public for a time at least without cost. I think we should be able to do that.

Hon. E. N. RHODES (Minister of Finance): I can only repeat what I said in response to the query raised by my hon. friend some time ago, that we will have an office consolidation of the farm loan bill made as quickly as possible, and it will be made available over as wide an area as possible.

Mr. HENRI BOURASSA (Labelle): And may I add that I hope it will be in both French and English. The other day I went to the department to get a printed copy of what exists at the present time, but they had none.

An hon. MEMBER: No translators.

Mr. BOURASSA: Yes, they have one, but there were no copies left in the department, and they told me we would have to wait for the consolidation. I hope the French text will be ready as soon as the English text.

Mr. RHODES: Certainly the French text will be ready, if not at the same time at least as quickly as possible.

THE KING'S SILVER JUBILEE

REMISSION OF CERTAIN PERIODS OF SENTENCES IMPOSED ON PRISONERS

On the orders of the day:

Mr. WILLIAM IRVINE (Wetaskiwin): Mr. Speaker, I should like to ask the Minister

of Justice if it is the intention of the government to grant amnesty to prisoners on the occasion of His Majesty's jubilee, and if so whether there is any statement he would like to make to the house in that connection.

Hon. HUGH GUTHRIE (Minister of Justice): Mr. Speaker, I shall answer the question in the affirmative, but I must say the procedure will not amount to an amnesty. We will follow the procedure laid down at the time of the diamond jubilee of Her late Majesty Queen Victoria, and again at the diamond jubilee of confederation in 1927. It will consist of a remission of one month per year on any sentence imposed upon prisoners serving sentences of six months or over. Then, I should add that in cases of prisoners whose conduct records are good an additional month per year may be allowed.

PERMITS TO MARINERS

On the orders of the day:

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, I wonder if the Minister of Marine is in a position to make a pronouncement of his policy under the shipping act or otherwise as to dealing with those men who in the past had permits to run small boats in the minor salt waters in Canada, and who now find themselves without the ability to obtain permits. They will be deprived of their livelihood, and will inconvenience a great many of the public who depend upon the small services afforded by the men holding those permits. It has been decided under the old act that they are no longer eligible to get them. The situation calls for some remedial legislation or action, as soon as possible.

Hon. ALFRED DURANLEAU (Minister of Marine): I suppose the conditions appertaining to those mariners are about the same as those mentioned by the hon. member for Dorchester (Mr. Gagnon) this morning, in the St. Lawrence river district. I shall look into the matter during the recess and shall answer the hon. member by letter.

UNEMPLOYMENT RELIEF

POSSIBILITY OF BRINGING CAMP WORKERS UNDER WORKMEN'S COMPENSATION LAWS

On the orders of the day:

Mr. HUMPHREY MITCHELL (East Hamilton): Mr. Speaker, some weeks ago when the estimates of the Department of National Defence were under consideration I asked whether the government were going to make it possible for men working in the camps to come within the jurisdiction of the compensation laws. I should like to ask the minister whether or not it is the intention of the government to bring in the legislation which will be necessary to meet the situation?

Hon. GROTE STIRLING (Minister of National Defence): When the estimates of the department were before the committee the hon. member raised this point and I then told him that following consideration of the matter and a discussion of it with the officials concerned it was considered probable that a satisfactory solution would be arrived at. If it is found necessary to introduce legislation the matter will have to be further considered.

PUBLIC WORKS PROGRAM

WORKS, UNDERTAKINGS AND GUARANTEE OF RAILWAY EQUIPMENT SECURITIES TO CREATE EMPLOYMENT

The house resumed from Tuesday, April 16, consideration in committee of Bill No. 63, to create employment by public works and undertakings throughout Canada and to authorize the guarantee of certain railway equipment securities.—Mr. Stewart (Leeds).—Mr. Morand in the chair.

Section 2—Authority to execute and complete works.

Hon. H. A. STEWART (Minister of Public Works): Mr. Chairman, if I remember correctly when we adjourned last night we were discussing the schedule of this bill.

Mr. MACKENZIE (Vancouver): Correct.

Mr. STEWART (Leeds): There are some amendments the Minister of Railways and Canals desires to propose, and I suggest possibly it would be well to follow the ordinary course of dealing with the sections, and then come back to the schedule.

Mr. LAPOINTE: Just a minute, Mr. Chairman; Schedule A comes under section 2. I submit that at least we have the right to discuss the schedules coming under section 2 before we proceed to discuss the other sections of the bill.

Mr. ELLIOTT: That was decided last night.

Mr. STEWART (Leeds): I made the suggestion only with a view possibly to limiting the discussion on the bill, and in view of the fact that some matters might be explained. However if it is the wish of the committee to go through the schedule we will go ahead. The schedule is usually adopted last.

Mr. MACKENZIE KING: But with the information supplied on the schedule the rest of the bill will not take long.

Mr. LAPOINTE: The schedule is the whole bill.

Schedule A, item 2—Geological surveys and investigations in the Northwest Territories and elsewhere in Canada, $1,000,000.

Mr. CAMPBELL: No doubt the Minister of Mines will have charge of spending the million dollars mentioned in the schedule for geological surveys. Would he tell us what will be done with the money, and where it will be spent?

Mr. GORDON: The geological surveys branch of the Department of Mines was organized as a federal department in 1842. Since that time geological surveys have been projected throughout Canada in all provinces and in the territories of the dominion. I do not know that at any time any work has been done in the province of Prince Edward Island.

Some hon. MEMBERS: Louder.

Mr. GORDON: I cannot talk down the whole house.

Mr. CAMPBELL: Do the best you can.

Mr. GORDON: The work of the geological surveys branch has proceeded from year to year, and I do not need to stress the importance of the work it has been doing. The geological information distributed among those engaged in the industry invariably precedes an advance of prospectors searching for minerals in the areas the geological information indicate as being favourable to the production of ores. In order that the committee may have some conception of the importance of the mining industry, and particularly in respect to gold, with the unanimous consent of the committee I shall place on Hansard the information since 1928. It is as follows:

Statement Re Gold Milling Plants Operated in Canada, 1928-1934 (inclusive)

Summary

Province	1928	1929	1930	1931	1932	1932	1934
British Columbia	4	7	7	5	7	14	28
Manitoba	1	1	2	2	4	7	7
Ontario	19	20	19	17	20	23	50
Quebec	2	3	3	3	5	9	13
Nova Scotia	4	5	8	3	4	11	17
Totals	30	36	39	30	40	64	115

Mr. CAMPBELL: What are the tons milled?

Mr. GORDON: I have not the tons milled but if my recollection serves me correctly I may say for the information of the house that the tons milled as of about a month ago were 25,000 daily approximately. The figures are readily available and if it is thought desirable to have them spread on the record I can get them later.

Hon. members will therefore see the importance of devoting all the moneys which the dominion can devote towards stimulating the search for minerals in the various provinces of Canada and the Northwest Territories. This expansion of gold milling, of course, concerns only one branch of the industry. Base metals at the moment do not offer a great attraction because there probably is a world over-production. The copper above ground has been variously estimated at from 425,000 to 600,000 tons. In Canada we are fortunate with respect to the mining of base metals, particularly copper, because I am told by one of the biggest operators who is very close to the industry that about seventy-five per cent of Canada's copper is produced at less than five cents a pound. That is a wonderful record, disclosing great efficiency.

In respect to this vote, in the last thirty years our universities in Canada have built up departments devoted to the study of chemistry associated with mining, and largely by reason of the stimulation that was given to the mineral industry by the discoveries at Cobalt our universities yearly graduate a very large number of young men who have

chosen the business of mining as their life work. Heretofore the geological survey has in the summer time taken on their geological parties many of these young men who have passed their second year, and then on up to graduates. This has been a very wonderful experience for these young men who are headed for mining engineering or geological work. Of course, at the present time these young men are feeling and have felt the depressed times and are meeting with a good deal of difficulty.

My idea with respect to the expansion of geological work—I do not know whether I shall be believed or not, but I think generally I shall be—is not political in any sense. I only regret that this course could not have been adopted years ago and that a little more generosity might have been shown in assisting in the search for minerals in this country. I took occasion last evening to go over the observations made by hon. members of the house in the past five years when the estimates for Mines were up and that from all sides of the house an expression of regret and some criticism that the department was not provided with more moneys to be devoted to these and kindred industries. It is the intention of the government through myself to get in touch immediately with the various universities of Canada which have science courses devoted to geological work and to mining. This may be disappointing to members on both sides of the house but I would gladly receive from any member in this chamber suggestions as to young men falling within the class to which I have referred in order that they may have an opportunity to assist in carrying out this work. I trust that hon. members will not harbour the idea that this is being put forward by reason of an impending election or for political purposes.

It is proposed, and I have gone forward in anticipation that this measure will pass parliament, to organize 180 geological investigating parties. The approximate cost of each party will run around $4,000. Then as a result of their work there will be some expense over and above that in connection with the compilation of the information. While the work of these geological parties will take in the whole range of economically valuable minerals, yet it is my desire to direct their activities more to those places in Canada where the geological occurrence is favourable to the deposition of gold. We in our country are particularly and peculiarly favoured with respect to the chances of finding gold in commercial quantities and of a richness that it can be worked at a profit. We have across the northern part of Canada from coast to coast geological conditions that will challenge the courage, the enthusiasm and the capacity for effort of the Canadian people for thousands of years. Perhaps it is a very good thing that the Infinite Being in laying down the earth's surface hid away there riches so that they would not all be found at once. Canada is particularly favoured in this regard. A study of the type of men engaged in this industry will show the courage which it takes and the persistence which must be exhibited in the search for minerals. There are certain people who cannot get interested in the gold mining industry until the gold brick is being poured, when they become keenly interested. They are totally unacquainted and apparently do not want to become acquainted with the hazards and discouragements antecedent to the pouring of the brick. This industry offers an outlet for many of the young men of Canada and I believe the organization of these geological parties will start a work which will be of benefit to the prospectors and bring about an even greater increase in gold mills than the fine records I have just spread upon Hansard.

Mr. CAMPBELL: I am just as anxious as the hon. minister that the search for minerals should be carried on and as the minister himself has intimated we who are interested in mining on many occasions have stated that the work should be furthered to the best advantage. I am not particularly interested in the discussion at the moment of present position of the mining industry as I believe the people generally have a fair idea of the conditions. If I were to discuss this matter I would probably say many things with which the minister would not agree; I might refer to the conditions brought about by the action of the present government. What we are interested in at the moment is where these parties are to work and when they are to do their work. I would point out that in the particulars of civil government estimates of the minister the only decreases shown are for a geologist and an assistant geologist. If it were decided at the time the estimates were prepared that we had too many geologists, when was it decided that we should spend a million dollars to put out 180 additional parties? I sympathize with the young men who find it impossible to get employment after leaving college, but I would point out to the minister that during the last year he has lost three of his best geologists. If there is so much unemployment why is it that these men have left the department? It is because they have found the private field much more remunerative. I do

not want to detain the committee but I should like the minister to tell us something definite as to where this work is to be carried on and whether it will be carried on in cooperation with the different provinces. Is the government going to go over ground already covered by the different departments of mines throughout the dominion? Is this work to be confined to the district under the minister's department the Northwest Territories?

Mr. GORDON: The last observation by the hon. member is not a very worthy one. If anyone will look over the expenditures of the last five years he will find that my district has not been particularly favoured. Apparently the hon. member is unaware of the practice of the department in connection with geological work. Care was exercised by my predecessor, the hon. member for West Edmonton (Mr. Stewart) and is being exercised by myself in the laying out of this geological work. The provinces are consulted in order to avoid overlapping.

Mr. CAMPBELL: I am quite aware of that but I would like to know where the government is going to spend this money.

Mr. GORDON: If the hon. member will sit down for a moment I will give him the information.

Mr. CASGRAIN: Is any of this money to be spent in Quebec and where is this work to be carried out?

Mr. GORDON: If the hon. member will take his seat I will probably be able to satisfy him. Parties will be sent to every province, as well as the Northwest Territories and the Yukon, wherever conditions appear favourable for the possible deposition of gold ore. No parties will be sent to Prince Edward Island as it is known that that province has nothing along that line. The exact number of parties which will go into each province has not yet been determined but I can give the committee an approximate distribution of the parties. There will be approximately twelve parties in Nova Scotia; four in New Brunswick; fifteen in Quebec and thirty in Ontario. These figures are only approximate and I am inclined to the view that more parties will be sent into Quebec. There will be approximately twenty in northern Manitoba; forty in Saskatchewan, eight in Alberta; twenty in British Columbia; ten in the Northwest Territories and five in the Yukon. This is something which I have had in mind for many years, even before I became a member of this house. I have always urged the different governments to promote more activity in the mineral industries but I always realized the difficulty in providing money to carry out this work. The localities in which these parties will work have not been definitely determined but anyone who has studied the geological maps of Canada will know the districts favourable to the finding of gold bearing ore. These matters will be worked out by the officers of the department. It will not be possible to complete this work this year as the field notes will have to be transcribed and published after the parties return in the fall. The work will no doubt run into next year.

Mr. McINTOSH: Approximately how many will be in each party?

Mr. GORDON: I have not the exact number in each party, but there would be approximately 900 men employed in the various parties. Besides geologists, students and graduates, those parties all carry with them a considerable number of labouring men, such as cooks, and men who carry the lines and do things of that kind.

Mr. STEWART (Edmonton): There must of necessity be a very small proportion of this money spent on actual surveys. My hon. friend cannot get surveyors to carry on the work to the extent that he is voting this money. I quite understand there will be an investigation of ores, but that is a different matter. I am just wondering how he is going to equip 180 parties in a month's time or less to do effective work. I quite appreciate the fact that young students will be of very valuable assistance, but as directors of parties—

Mr. GORDON: They would not be directors.

Mr. STEWART (Edmonton): That is the point to which I am coming. The minister's intention is to do prospecting rather than survey work.

Mr. GORDON: Oh no.

Mr. STEWART (Edmonton): Well, I cannot understand how he can equip so many parties so that they will be capable of doing survey work.

Mr. GORDON: I can do so.

Mr. STEWART (Edmonton): Of necessity there must be a trained surveyor and a trained geologist in charge if really effective work is to be done. I am quite in favour of the investigation, but I doubt very much whether my hon. friend can spend any sum

such as this in one year and equip parties that will do effective work, which after all is the desire in spending the money. I suppose there are two purposes in view. One is to give employment, of which they have been deprived during the last few years, to those young men who are actually taking their courses and training for their life work as geologists or mining engineers. This is very valuable training for them during the holidays. But every one of those parties of necessity will require at its head someone capable of directing its efforts.

Mr. GORDON: They will.

Mr. STEWART (Edmonton): It seems to me that it will be rather difficult with the present activity in gold mining to secure 180 such men.

Mr. SPENCER: I notice there will be forty parties going through Saskatchewan—

Mr. GORDON: About that number.

Mr. SPENCER: —and some eight through Alberta. Is the big difference due to the fact that Saskatchewan is so much more highly mineralized?

Mr. GORDON: Saskatchewan has problems apart from research for minerals which has become quite a great activity in the northern part of that province in the last five years. I have in mind a search for water in some of the dried-out areas. Probably members from Saskatchewan are aware that before I became minister, geological surveys carried on work that was very beneficial in that regard, particularly for the town of Moose Jaw and the city of Regina, and I propose that some of these parties shall press that work in other parts of Saskatchewan. There is not any question of preferring one province to another; it is a question of getting these parties out, getting them efficiently organized and placing them wherever in Canada they can do effective geological work which will ultimately form the basis for very great activity in the northern part of this country. Incidentally I think the northern part of Canada will be the salvation of the dominion. It is just a good enough country to produce sufficient money to pay for all the mistakes—and there have been some—that have been made since confederation.

Mr. STITT (Nelson): I certainly congratulate the government on bringing down this appropriation for geological surveys. As a practical mining man who goes into the field and prospects, I think I know something about the need for this sort of work. It has been said that 180 parties constitute a very large number. I do not think it should be necessary for me to remind the committee that there is room for 180 geological parties in my constituency, to say nothing of the great areas in northern Saskatchewan, Alberta and the Northwest Territories which contain the same geological set up as does northern Manitoba. I am not going to discuss all classes of mining; I shall confine myself for the moment to gold mining. It is not necessary for me to remind the committee that gold mining has been the sheet anchor to which this country has tied itself during four of the darkest years Canada has ever experienced. Gold is a commodity that requires no sales staff and no sales talk; it has enabled this country to meet its obligations, thereby allowing us to maintain our national integrity.

Yesterday I heard the leader of the opposition enlarging upon the appropriation of $100,000 in the main estimates. I do not think anybody would be unfair enough to say that that is a proper allotment for this important industry that produces hundreds of millions of dollars worth of new wealth in this country at little or no cost to this government or to the taxpayers. Personally I am glad to see that all of the money in this vote is not going into piles of brick and stone in cities. Whether we like it or not, we have to look north. The future of this country lies in that great northern area, with its two million square miles of the pre-Cambrian, which is beckoning with a finger of gold, its message—"Come and get it"—and it is up to the government to lead the way. So far the lone prospector has had to carry most of the load; he has been left to do all the pioneering work. It is time that the government stepped in and gave him some assistance by way of opening up these fields, putting out these parties to make geological reports on the areas and issuing proper maps so that he may be better able to travel and know where he is going to work. Otherwise he will waste a great deal of time, for the season for prospecting in those northern areas is very short; he cannot get into the field until the end of June owing to ice conditions, and if he is very far north, he will have to hike out of there about September 15 or he will be liable to be frozen in. The minister has in his department I think the finest organization of its kind in the world, but due to lack of money so far they have been working under difficulties. This appopriation will give them an opportunity to do their stuff, and I am quite sure the government will receive large dividends from the investment.

The once prevalent notion that the whole of the immense area north of the North Saskatchewan river was a sterile frost-bound waste destined for all time to remain a wilderness, is now largely a thing of the past, and the opportunities which the latent resources of the silent places of the unexploited north afford to the enterprising and adventurous, at the present moment challenges the attention of the whole world. The claim that Ontario would not be the province it is to-day had it not been for its progressive and courageous northern development policy, cannot be questioned. The same policy should be applied to those great northern areas. In conclusion I congratulate the government on at least awakening to its responsibility in regard to the mining industry of this country.

Mr. CAMPBELL: I wish to support what the hon. member for West Edmonton has said. I think I am fairly familiar with all the mining men in Canada.

Mr. GORDON: All of them?

Mr. CAMPBELL: All the men who are really looking for work. I do not know where the minister is going to find 180 geologists who are unemployed and who would be able to start on this work immediately.

Mr. GORDON: That is my job. I will take responsibility for it.

Mr. CAMPBELL: Further than that, the provincial departments as I have pointed out previously are carrying out geological survey work. Is this work going to be carried on in conjunction with some of theirs, is the work they have been carrying on in different localities going to be enlarged, or is the minister going to pick out spots where he thinks there may be some gold, and let the other minerals go? What is the policy of the department? I am astounded that the head of this department, a man who knows the mining industry, and who has a staff of technical men, should come to the house and tell us he does not really know where he is going to send these men. But I am not so astonished at that when I find that even a few short months ago the minister found he did not need as many geologists as he had at work last year.

Mr. BRADETTE: I am certainly in favour of some of the activities comprised in this measure, but I would ask the minister why the discrepancy in the number of parties to be sent to some provinces as compared with others. If I were a member for the province of Quebec I would resent the fact that they have only fifteen there and forty in Saskatchewan, and in Ontario only thirty. Surely there are greater mining areas in Quebec and Ontario than in Saskatchewan.

Mr. CASGRAIN: They need more political workers in Saskatchewan.

Mr. BRADETTE: Also British Columbia. The minister mentioned the great benefit that the gold mining industry has been to this country. There is one matter I would like his department to take up in this inquiry, that is the coal situation in northern Ontario. I do not know whether it would be possible for his department to cooperate with the Ontario department, but he knows the good work accomplished by the late administration there in relation to the lignite deposits in the James bay section. He knows also that it is impossible for us to use coal from Alberta, and almost impossible for us to get coal from Nova Scotia on account of long distances. In most cases we have to get our coal from the United States. He also knows that in order to get American hard or soft coal we have to pay more than the rest of Ontario. But in the lignite deposits of northern Ontario there are unlimited quantities of fuel. It is proved to have good heating value, but there is such an amount of moisture in it, and also the cost of briquetting makes it almost impossible for the provincial government to put it on the market at the present time. Under this vote it should be possible for the Minister of Mines of this government to cooperate, as I believe he has in the past, towards placing that fuel on the local market if not outside.

Then I see some possible complications in these activities. The minister is aware that to-day the prospectors are well organized; there are a lot of qualified geologists making prospecting their life work. I should like the minister to enlighten the committee as to the procedure. Suppose half a dozen or so of these one hundred and eighty parties make some good finds, will those men have the right to have the claims registered in their own names? I see the minister smile, but there is that possibility, because under the provincial jurisdiction there is nothing to stop them staking claims they have found and registering them in their own name.

Mr. GORDON: If I might interject, there is just one thing that would stop them, that is the federal statute which would prohibit it; that has always been the law.

Mr. BRADETTE: But overlapping the federal statute is the provincial one. There is nothing that will stop it unless it is specially provided; they can go ahead and register

those claims in their own names or the name of someone else. Surely the minister will see the chances; it cannot be avoided unless it is absolutely put in the statute that those men will have no right to have claims registered in their names.

Mr. GORDON: It will give rise to no difficulty.

Mr. CASGRAIN: We were expecting more information from the minister on this item. He has done the best he could, but I for one am not entirely satisfied. He has given in his own way an elaborate statement of what he intends to do. He may have good intentions and he explains as best he can under the circumstances the way the parties are to be divided in the different provinces. But this is apparently only a guess on his part, because if we add up the figures we find that they do not come to the amount of a million dollars that appears to be required by the schedule appended to this bill.

Mr. GORDON: I incline to the view that a million dollars will not be spent this year.

Mr. CASGRAIN: If a million dollars is not going to be spent this year I do not see why we should be asked to vote it.

Now, as the hon. member for Nelson (Mr. Stitt) just said, the season for prospecting and carrying on these works is very short. We are now well on in April, and I doubt very much if there will be time to find all the qualified men necessary to head the various parties and the other men for the parties to an extent to use up the whole amount involved. There is another thing to which I would like to refer, in connection with the remarks made last night by our hon. leader relating to page 47 of the estimates:

Explorations, surveys, and investigations; for publication of English and French editions of reports, maps, illustrations, et cetera, relating thereto; and for salaries and wages of explorers, topographers and others. For maintenance of offices and museums; for purchase of instruments, chemicals, books of reference, museum equipment and specimens and related supplies;

Amounting in all to $265,502. Those estimates were made at the beginning of the session when we assembled here in January. No doubt at that time the government had a program in view and knew where this work was to be done, otherwise they would not be the good government they pretend they are. How is it that now, three months later, they come in with a program four times as large as the other? The minister has given an explanation, it may be that he was pressed by the remarks of my hon. leader last night and the request for explanations from this side, and so he has presented to-day in his way a statement that sounds nice but contains no precise information. We like to listen to the Minister of Mines, he is a genial friend, we should like to go to some of his meetings—

Mr. GORDON: We would have a good time anyway.

Mr. CASGRAIN: —but this information would not fulfil the requirements of any sound business man. We want to know exactly where those parties will go. This work is carried on also by the province of Quebec, the province of Ontario and various other provinces.

Mr. GORDON: Just those two provinces.

Mr. CASGRAIN: Will there not be duplication?

Mr. GORDON: Never.

Mr. CASGRAIN: Will the government cooperate with the government of those provinces?

Mr. GORDON: Certainly. We always do.

Mr. LAPOINTE: They will not employ the same men.

Mr. CASGRAIN: I understand that the number of men with mining experience who are able to carry on this work is very limited. These men must be highly qualified; they must be graduates of our universities, McGill or the Polytechnic School in Montreal, and I do not know that they are available by the dozens and hundreds. Where are you going to get a sufficient number of these men to head these parties, of which I am told about 180 are to be formed and spread all over the country? Well, I do not want to criticize the government unduly; this bill is for a good purpose, no doubt, and we want to do our best in this regard. As the preamble states, the purpose of the bill is to relieve unemployment, to bring about more normal conditions, to accelerate the recovery of trade and industry and to end the depression. We should like to know how the government are going to do that in this way. We do not find much fault with the preamble of the bill; we all agree to it, but we find fault in being called upon to vote such huge sums of money to the government, such as $1,000,000 for geological surveys, especially when the minister admitted to-day that while he knew a few parties were to be formed to be sent to various parts of Canada, he did not know the definite places to which they would be sent.

Mr. GORDON: I know the definite places to which a large number of them will be sent.

Mr. CASGRAIN: I do not want to criticize the government unduly, but I am afraid that many of the men who will head these parties, and many of the men who will be employed, will be political agents for certain friends of the government. We notice that there seem to be many parties going to the province of Saskatchewan. In Quebec there are to be only fifteen parties, possibly because the government do not expect very good results in that province.

Mr. GORDON: If the hon. member knows of competent geologists who can undertake this work, and if he cares to recommend them, I will put them on.

Mr. CASGRAIN: I am going to take the minister at his word, and I should like to direct another question to him. If I also recommend other competent young men as day labourers to help those who will head these parties, will the minister accept my recommendations?

Mr. GORDON: Sure I will.

Mr. CASGRAIN: Then I will send him some names.

Mr. GORDON: I trust, Mr. Chairman, that the hon. gentleman does not want my job.

Mr. STEWART (Edmonton): I rise to a point of order, Mr. Chairman, I am afraid these genial exchanges across the floor of the house are getting very close to bribery. I am fearful that my hon. friend—

Mr. GORDON: It may be bribery, but there is no corruption.

Mr. STEWART (Edmonton): I would not suggest that word.

Mr. CASGRAIN: I thank the hon. member for West Edmonton for his remarks, but both he and the minister know that they do not apply to me. If the minister grants my requests it is because they are well founded. I recall that I have presented some recommendations to the Department of Immigration. When they were good they were accepted; when they were not good they were rejected.

There is another point to which I should like to refer. In the district from which I come there is a great field for work of this kind. I know that the provincial department of mines has carried on this work in a rather extensive manner, but I also know that the province is restricted in these operations to a certain extent because at present it has not very much money to spend and is unable to develop this work on a large scale. In the district of Charlevoix-Saguenay, and more especially on the north shore of the St. Lawrence river, I have been told by prominent engineers there is a wide field for work of this kind. May I ask the minister to tell the committee and tell me if he intends that any of these fifteen parties who will operate in the province of Quebec will be sent to the north shore of the St. Lawrence river?

Mr. GORDON: Yes.

Item 2 of schedule agreed to.

Item 1—Railway grade crossings—$1,000,000.

Mr. ELLIOTT: I see the Minister of Railways in his seat, and I should like to direct a question to him. I want to ask, with regard to item No. 1, if the minister could inform the committee—there are a number of amendments to the bill—

Mr. MANION: If my hon. friend would permit me I shall read the amendments proposed, so that hon. gentlemen may have time to think them over. There is nothing serious in them, and the hon. gentlemen will be in a position to deal with them early in the afternoon. Of course if assent is to be given by five o'clock the bill must be considered by the Senate first.

An hon. MEMBER: We are not sure of that.

Mr. ELLIOTT: There is another question I should like to ask, apropos of the item of $1,000,000 for the elimination of railway grade crossings. I made a suggestion last evening, but I think perhaps the minister got off on another tack; at any rate he did not give any answer. Can he tell us now how many grade crossings were eliminated last year in the cities and towns, and how many in the rural districts? My point is this: In the rural sections we have a great many very dangerous crossings at which large numbers of fatalities occur every year. I should like to know how many of those rural crossings were eliminated last year, and I should like to know also if any recommendation will be made to the board of railway commissioners in this connection. I understand that this item merely adds $1,000,000 to the railway grade crossing fund. If I am incorrect in my understanding the minister will tell me, but that was what I understood last evening. Is there any recommendation to the board, who have charge of this fund, that a certain portion of this amount should be allotted to the elimination of dangerous crossings in rural communities?

Mr. MANION: I regret that offhand I cannot give the number of grade crossings eliminated last year. I do not think the number was very large, but I will get the information for this afternoon; I will have it right after the lunch hour. I did not happen to think of that, though I have looked into the question pretty thoroughly. Was there another point raised by the hon. gentleman other than the $1,000,000?

Mr. ELLIOTT: I suggested that a portion of that sum be allotted to a purpose which I think has been rather overlooked for a number of years past; that is, the elimination of these dangerous rural crossings. I could mention a number of villages very close to the district I represent, with which I am familiar, where there are dangerous crossings in regard to which nothing has been done for years, and where there has been a heavy casualty list.

Mr. MANION: I shall be very glad to have that matter particularly drawn to the attention of the board of railway commissioners. I am speaking subject to correction, but I believe there are something like thirty thousand level railway crossings in Canada, so under any circumstances it will take a long time to eliminate them all. If it is done properly the work must be spread out here and there throughout the country. However, I will remember the point made by the hon. member. In regard to the $1,000,000 for railway grade crossings I believe there is a clause in the bill which states that notwithstanding anything in the Railway Act the government may decide to pay the total cost of the elimination of certain crossings. I am informed the section to which I refer is section 10, and turning to the bill I find it reads as follows:

> Notwithstanding anything contained in section 262 of the Railway Act, as enacted by chapter 43 of the statutes of 1928, and amended by chapter 54 of the statutes of 1929, the governor in council may in the case of any highway crossing of a railway determine the percentage of the cost which shall be payable out of the sum appropriated by this act to aid actual construction work for the protection, safety and convenience of the public.

The reason for the clause is that it has been found that at the present time, due to the difficult financial straits in which both the Canadian Pacific Railway and the Canadian National Railways find themselves, they oppose any proposal to wipe out grade crossings, towards the work upon which they have to contribute. That practice has been followed in the past. The board of railway commissioners may receive an application either from the railway or from a municipality—usually it is one of these two—asking for the elimination of a crossing. They look into the case, and from the grade crossing fund they may allot up to 40 per cent, but not higher than $100,000 to any crossing; that is, they may allot up to 40 per cent of the cost of the crossing. That is taken from the fund contributed by the government, and the balance is paid either by one railway or, in some cases by both of them, and by the municipalities concerned. At the present time neither the railways nor the municipalities want any allotment placed on them. As the committee is well aware municipalities are in financial difficulties and as a consequence do not wish to make contributions. That is why I said a moment ago to the hon. member that I do not think many grade crossings were eliminated last year and that is the reason.

At the same time we wish to have the grade crossings eliminated. Generally speaking the fund will be under the control of the board of railway commissioners, and so far as we are concerned we would be only too happy if it were all under their control, because in that event we would not in any way be entering into a controversy between the municipalities and the railways. However, in certain cases, such as the one to which the hon. member has referred, due to the railways or the municipalities or both refusing to contribute, it may be thought wise because of a particular danger at a certain railway crossing for the government to give permission under clause 10 of the bill to the board of railway commissioners to grant the total cost out of the railway crossing fund. That explains the point.

Mr. ELLIOTT: May I indicate to the minister the point I have in mind. A great amount of money has been devoted in the last two or three years to the elimination of crossings in cities, and with that expenditure so far as it has been possible to make payment out of the public treasury I am in complete accord. I wish to point out to the minister however, that at the crossings which have been eliminated gates and watchmen were formerly used, and those crossings did not cause as many accidents as has been caused by some very dangerous rural crossings, several of which I could name in my constituency. It is a peculiar fact that at many of these rural crossings in many years there has been not one but a series of casualties. Those crossings are in exactly the same condition as they were years ago. I would suggest that the attention of the board

be especially directed towards the elimination of a number of those most dangerous crossings in the rural sections rather than towards the expenditure of large amounts of money to make level crossings where gates and watchmen were formerly used.

Mr. MANION: May I say at once that I agree entirely with every word the hon. member has said. The reason that in the past the cities have got most of the work lies in the fact that they have made more applications than did the rural municipalities. I must say however that I agree entirely with the hon. member's statement, and so far as I am concerned I shall endeavour to see that the idea he has expressed is carried out, because I think it is a proper one.

Mr. MACKENZIE KING: Perhaps it would be wise for me to say a word at once concerning the statement made a few moments ago by the Minister of Railways and Canals to the effect that if we are to have this measure assented to by five o'clock we must make more rapid progress than we are now making. While we on this side are anxious to expedite matters as much as possible I hope the government will not attempt to crowd us into the position of having the bill passed at all costs on the score that the deputy to His Excellency the Governor General is waiting to give assent to the bills. I would suggest that the government decide at once that the assent to whatever bills there may be will be given at a quarter past six o'clock to-night. We shall know by six o'clock whether or not we have received the information to which we are entitled before this measure passes.

I wish to repeat to-day not only what I said last night but my observations on the address in reply to the speech from the throne delivered at the opening of the session, namely, that we expected the government to bring forward its program in regard to unemployment relief or for providing employment at the early stages of the session, and did not expect it to be left until the moment of adjournment. Hon members will recall I indicated upon the first occasion we were quite prepared to facilitate the program of social reform, improvements to the capitalistic system and the like, but that we insisted that these particular measures should not be used to prevent the immediate consideration of that which we regarded and still regard as the most important of all problems, namely, the question of the unemployed and the giving of employment and affording relief.

The whole session has been taken up thus far in a discussion of measures other than those relating primarily to the great problem of unemployment now existing. As hon. members are well aware the provisions of the unemployment insurance measure will not come into effect for another year or two. The legislation concerning the weekly day of rest will not at the moment affect the unemployed, nor will these other measures of so-called social reform which have taken up time and discussion. They will not affect the present unemployment situation. Hon. members on this side of the house have from the beginning of the session emphasized the importance of giving the matter of unemployment consideration before anything else, and we particularly emphasized the importance of giving the house an opportunity to discover from the government whether or not they have any policy at all, or anything which could be called a policy with respect to unemployment.

This is the first opportunity we have had to discuss what the government may have in view with regard to relieving the situation. The debate which took place on a motion to go into supply was one which surely made evident to hon. gentlemen opposite our desire to get information and to discover what the government's policy was. However we received no answer from the government upon that occasion; we were given no indication as to what their policy was, and I do submit that if the present legislation is part of the unemployment program this house should have been given it long ago.

How does it come about, for example, that we have had before us for some time the estimates respecting geological surveys, and that only now have we had presented a program of exploration and investigation with respect to the mining industry, a program which certainly could most properly have been considered under the estimates for the surveys branch of the Department of Mines. Nothing was said on this point. Did the ministry have a program of this kind in mind when they were preparing the main estimates? If they had, why did they not put in the main estimates, under the heading of geological surveys, some indication that a larger appropriation would be required? Why did they not state upon that occasion that the appropriation would serve the double purpose of furthering exploration and investigation in connection with gold and other minerals in northern Canada, and at the same time help to create employment for some of those who were unemployed?

We object strenuously to the fact that under the guise of helping to provide employment and to provide unemployment relief the government is really putting through a policy with respect to an important phase of business, and is placing before us as a matter primarily of relief what ought to have appeared in the main estimates as part of the general business of the country. The same is true in connection with what is being asked for by the Department of Railways and Canals. It is certainly true with regard to the Interior. It is equally true with regard to Public Works. There are works here in the nature of public works that ought to appear in the estimates of the Department of Public Works as part of the expenditure for public works throughout the country to be voted in the regular way.

One of the most ludicrous features of this measure is the clause which is inserted to the effect that if anything occurs in the nature of an emergency the government must be free to go ahead and spend a lot of this money in a way quite different from that in which it would be obliged to spend it under the regular appropriations of this parliament. What possible emergency can there be at the present moment in the mind of the administration other than the emergency of a general election which is to come along very shortly? I mean to say that if the government is contemplating emergencies arising in connection with the expenditure of these public moneys, surely we ought to have heard about them at the beginning of the session, and when the main estimates were brought in provision ought to have been made there for them. In last year's bill for relief we had the same expression used in respect to emergency, and the same provision was made for emergency, and yet the money asked for and voted to meet these possible emergent situations has not yet in very large part been expended.

What have we this morning in the way of information from the minister with regard to this one item? One thing we have been told is that we are being asked to vote one million dollars while the Minister of Mines does not think that that one million dollars can be spent. I ask my hon. friend the Minister of Finance whether he as Minister of Finance approves of that method of voting public money, asking parliament for millions of dollars without he himself or any of his colleagues even knowing or being able to tell parliament how the money is to be spent. As a relief bill, it is a make-believe.

[Mr. Mackenzie King.]

Mr. MANION: May I ask what item the right hon. gentleman is referring to when he says that the money could not be spent?

Mr. MACKENZIE KING: No. 2. I do not know whether my hon. friend heard it but the Minister of Mines said to us emphatically, "I will say I do not think we can expend this million in a year." Surely then there is no emergency with respect to what may be needed in the expenditure of that money at any rate.

I do not want to take up the time of the committee unduly. What I wish to make perfectly clear is this, that the government will have ample opportunity to make the preparations that may be necessary in regard to any of this work they are contemplating; to go ahead with the preparation of their plans during the next four or five weeks; the fact that this bill does not pass to-day need not mean that the government cannot arrange for their geological parties and all the rest of it during the interval. But unless we can get satisfactory explanations to-day of what the government really intends to do I may say to my hon. friend that I do not think the bill will go through to-day.

Mr. COTNAM: Do what you like.

Mr. MACKENZIE KING: My hon. friend says, "Do what you like," and the Minister of Railways said the same thing last night. He said he did not care whether the bill went through or not. I think he ought to care, and I think the government ought to care very much, when measures of this kind are brought down, that they should be brought down at a time which will ensure their being passed by parliament.

Mr. MANION: I meant that I did not care politically because I think we could use it very much more against my right hon. friend if the bill does not pass than if it does.

Mr. MACKENZIE KING: Exactly. My hon. friend has just borne out what I have said, that the purpose of the bill is a political purpose.

Mr. MANION: I deny that, Mr. Chairman. The purpose of the bill is to relieve unemployment. I say that politically it does not matter to us, but from the standpoint of unemployment relief it certainly does matter, and I pointed that out clearly last night.

Mr. MACKENZIE KING: Both the amounts of money that are asked for here, moneys which the government admits it has not made up its mind how they can possibly

be used within the time, and also the manner in which the bill has been brought down, clearly indicate that it is a political bill, and it is to work in this way: The government say to themselves, "If we get this bill through we have $17,000,000 which we can begin to get busy with immediately, having in view the prospect of a general election; and if we do not get this bill through, we can go out in the country and talk about the opposition having blocked us in the matter of unemployment relief."

Mr. MANION: Hear, hear.

Mr. MACKENZIE KING: Hear, hear, my hon. friend says, but I think the unemployed and the country generally will be quick to appreciate that the opposition, which is seeking to serve the country's interests is justified in demanding more than forty-eight hours from the time a bill is introduced in this house to the time it is to be assented to by the representative of the crown, to consider the provisions of the measure especially when the present is practically the only opportunity that has been given to this parliament to discuss the government's plans with respect to unemployment generally. We intend to get such information as we can from the administration as to what they are going to do for the unemployed and how they are going to do it, and we are not going to be crowded into the position of simply passing this measure regardless of what information we receive by three or four or five o'clock this afternoon. If we can get it through by then, well and good, but that will depend on the information we can obtain meanwhile. If we cannot get it through, it will just have to remain over until parliament reassembles, and in the meantime the administration can go ahead and further their plans just as they do with respect to all their departmental work. The minister of Finance himself a few weeks ago pointed out to me that they wished to send parties into the field and that he knew that all the plans had been made for that considerably in advance, and that they had taken a long time to make. That was before any supply was voted. Now either one of two things is true: Either this matter has been thought of for weeks and months, in which event the department will already have been planning for it, and we should have been so informed weeks ago, or else it is a mere afterthought which has come at this time, a make-believe policy with respect to unemployment, in which event the government will require a little time to work out the plans they are going to mature a little later. So I do not think anyone will suffer if the bill does not pass by six o'clock this afternoon. If it is to pass by six o'clock, we shall want the measure in such form that we can approve of it.

The Minister of Railways did suggest that he had one or two amendments which he was going to propose later. I think it would be well that we should have those amendments before we adjourn at one o'clock so that we may see if they are satisfactory and sufficiently comprehensive to cover the points about which we are most concerned.

Mr. RHODES: Mr. Chairman, I resist the temptation which comes to me to reply to the remarks of my right hon. friend the leader of the opposition, although I must say that I do feel sorely tempted to traverse the ground, but if I attempted to do so I would be consuming time which ought to be devoted to satisfying that eagerness for information which hon. gentlemen opposite exhibited last night and again this morning, and with respect to which I do not find any fault. I will, however, make this one observation, that I do not for a moment subscribe to the suggestion of my right hon. friend that this is a political measure. If we had thought to make it a political measure we have an example and a pattern which we could have followed by merely picking up the legislation which was brought down by my right hon. friend and his government on the eve of the general election of 1930. As a matter of fact the modesty of this appropriation in the light of existing circumstances in the country is I think a complete answer to the suggestion that there is anything political contained in the bill. The object of this measure was to make available such a limited amount of money as we felt we would properly be justified in appropriating to cover the widest possible area, not only so far as territory was concerned, but so far as the numbers affected by unemployment are concerned.

There is no disposition on the part of the government to crowd hon. gentlemen opposite, to use the expression which they themselves use, and certainly there is no desire to use the circumstance that His Honour the deputy of His Excellency the Governor General has announced that he is coming down at five o'clock. I shall be very glad to get in touch at once with the acting Prime Minister to see if it cannot be arranged that His Honour shall come at six o'clock instead of at five, so that we shall have at least the advantage of that additional hour.

I am rather surprised at the suggestion of my right hon. friend that if this bill does not pass the government could still go ahead and make its preparations. Such a suggestion certainly runs counter to the whole attitude of the right hon. gentleman throughout this whole parliament. He is the one who has insisted that we stand by the letter of the document and that we must have chapter and verse for every proceeding. The right hon. gentleman is now suggesting that without any authority of parliament at all, because the government has brought down a certain measure which for one reason or another has not become law, we shall nevertheless go ahead and contemplate embarking upon expenditures of tens of millions of dollars. I am rather surprised at that suggestion and I do hope the necessity will not arise where we will have to take the law into our own hands to that extent. I trust we will be able to quench the thirst for wisdom on the part of hon. gentlemen opposite to the extent where we will have this bill passed in the Senate prior to six o'clock. At all events let me say this to my right hon. friend, and I do not say it in captious spirit or with a view to reaping any party or political advantage: If the bill does not pass and the government feels itself warranted in proceeding to embark upon these expenditures, my right hon. friend will be estopped from any criticism of our having taken such a high-handed course of procedure. I can assure my right hon. friend that my colleague, the Minister of Railways and Canals (Mr. Manion), will be only too happy to see that the suggested amendments are submitted immediately so that they may be considered by hon. gentlemen opposite and the committee before we resume at three o'clock.

Mr. MACKENZIE KING: May I say to my hon. friend that my suggestion as to the desirability of the government getting under way with preparations prior to the actual carrying out of work essential even to forming an estimate, was only reechoing what the minister himself has said they have been doing already. He told us a little while ago that they have been working on this in the department. What right then had they to go ahead and work even on the preliminaries when they did not have the authority of parliament? I am merely pointing out the bearing of what the Minister of Finance (Mr. Rhodes) has just said to me, I am not suggesting this to the minister. He said that they could not even undertake the preparation of plans unless they had the final word of parliament.

Mr. RHODES: I never said that.

Mr. MACKENZIE KING: I think that was the interpretation the minister desired to have placed upon his words. There is a very great difference between a government laying its plans with a view to what shall be done when parliament ultimately passes an appropriation and saying that nothing can be done in the meantime.

Another point I should like to refer to is my hon. friend's reference to the Senate. Since when has the government been receiving from the Senate the assurance that matters respecting unemployment relief totalling something like $18,000,000 will not be subject to any discussion in that house? My hon. friend has just told us that the Senate will approve of this measure. Is there some agreement between the government and the members of another house?

Mr. RHODES: I am sure my right hon. friend will forgive me but I think he will be the first to admit that it is not proper for him to put words in my mouth. I neither mentioned the Senate nor did I have it in mind.

Mr. MACKENZIE KING: I beg your pardon, you used the expression "Senate."

Mr. RHODES: Hansard will bear me out. I never had that house in mind. We are dealing with matters affecting this house and that is as far as we can go. If the Senate should decide not to pass this bill before six o'clock that is quite another matter. I can assure my right hon. friend that that was farthest from my mind and there has been no understanding and no point of contact so far as I know.

Mr. MACKENZIE KING: My hon. friend could hardly take it for granted that there is to be no discussion. It has been stated that some time before six o'clock this bill will be assented to. I do not think there is any doubt but that my hon. friend's remarks will bear out what I have just said. They were to the effect that this measure is not going to be discussed in the Senate. It is unfortunate if that is the case and for that reason I hope an effort will not be made to crowd an expenditure of millions too suddenly through both houses of parliament.

Mr. RHODES: I cannot allow my right hon. friend to quote me as having said something which I did not say and as having assumed a position which I did not assume. We are going as far as we can go and we take our responsibility in this chamber. What happens in another chamber is quite another matter. This is a practice which has been followed by all governments, including governments of which my right hon. friend has been the head.

Mr. MANION: At this late hour, at two minutes to one o'clock, I do not think I will have time to deal with these amendments in detail but I shall endeavour to show my willingness to always cooperate with hon. friends opposite. First, I might say that these amendments have been requested by the railway companies. The government did not propose or suggest them; they were suggested principally by the Canadian National Railways. The first suggested amendment is to section four of the bill, and is to strike out all the words after the word "arising" in the sixth line and substitute therefor the words "under section nine of this act." The effect of this amendment will be that where it is found impossible to arrange for the equipment by guarantees, if through some arrangement between the railway companies and the government the government chooses to purchase the equipment and turn it over to the railway companies on a lien back to the government, they can do so. I am trying to cover these amendments as rapidly as possible and I shall send copies across to my hon. friends. The second amendment is in connection with section nine and is to substitute the word "repairs" for "improvement" in line two on page three. The railways prefer this word. There is also to be added to subsection (1) the following:

—and provided further that the governor in council may authorize the Minister of Finance to reimburse the Canadian National Railways out of any unappropriated moneys in the consolidated revenue fund of Canada, the amount of any further interest payable on account of any of its securities issued under the authority of this section for the purpose of repairs of railway equipment.

The officers of the Canadian National Railways spent all day yesterday looking over the proposal and they claim that they cannot charge repairs or interest on repairs to deficit. This is to permit the government, if it so chooses, to pay the interest on whatever portion of the Canadian National Railways' allotment is used for repairs. The third amendment is to section nine and adds the following as subsection (4):

Notwithstanding anything contained in this section, the governor in council may, in lieu of authorizing the guarantee of securities to the full amounts hereinbefore provided, authorize the Minister of Finance to expend the sum or sums, being the difference or differences between the amount or amounts of securities which may be guaranteed under this section and the amount or amounts of securities actually guaranteed, for the purchase, on behalf of His Majesty, of railway equipment and to sell or lease the same to either or both of the said railways under agreement whereby the railway company or railway companies shall reimburse His Majesty the full amount of the cost of the said equipment with interest, except in respect of the first and second years covered by the agreement, at a rate to be fixed by the governor in council and such agreement shall provide that security be furnished to secure and indemnify His Majesty in respect of the debt due to His Majesty.

May I apologize at once and say that I did not draw this amendment. It was drawn by the legal officers of the railways, the Justice department and my own department. But the purpose of it in brief is this: It is to permit the Minister of Finance either to guarantee securities or to purchase securities and to supply them to the railways on lien or mortgage. It implements the other two—

Mr. POWER: It applies to both railways?

Mr. MANION: Yes. I think if my hon. friends look them over, they will find them very simple to understand. I am merely endeavouring to give my hon. friends the facts.

Mr. MACKENZIE KING: Has the Minister of Public Works any amendments to propose?

Mr. STEWART (Leeds): No, I think the bill as drafted is ample for the purposes of my department.

Mr. GRAY: Like the Minister of Railways, wishing to be courteous, I give notice of an amendment I propose to move, as follows:

That section 2 of Bill 63 be amended by adding thereto subsection 2A:

2A. That in all employment arising out of the execution of such works and undertakings, whether under contract or by day labour (a) those most in need and available shall have first benefits from the employment to be created; (b) preference shall be given to unemployed and needy ex-service men and to unemployed and needy married men with dependents; (c) in no case shall discrimination be made in the employment of any person by reason of political affiliation, race, or religious views; (d) where such works or undertakings are of a local character and the expenditure involved does

not exceed $25,000, all persons employed shall be residents of the locality in which the work is to be performed; (e) it shall be the duty of the minister concerned to see that the provisions of this section are complied with and, in respect of works or undertakings done under contract, he shall be entitled to cancel the contracts forthwith in the event of any breach of such provisions by the contractor.

At one o'clock the committee took recess.

The committee resumed at three o'clock.

Mr. MACKENZIE (Vancouver): Before proceeding with the discussion of the schedule I wish to ask a question of the Minister of Finance. How is it proposed to provide the money involved in this bill—by ordinary borrowing?

Mr. RHODES: Yes, by ordinary borrowing if there is not sufficient revenue in the current account. There is no special method of financing proposed.

Mr. CASGRAIN: We are on item 3, I understand.

Mr. ELLIOTT: Before proceeding with that I think the Minister of Railways has some information to give me in regard to the elimination of level crossings during the last year or more.

Mr. MANION: Yes, Mr. Chairman, I had my officers make inquiry in regard to the hon. gentleman's question. On February 15 of this year, at page 856 of Hansard in reply to a question by the hon. member for Vancouver Centre (Mr. Mackenzie), I gave the data for the last five years. My hon. friend or anyone interested will find on that page that in the years 1930 to 1934 inclusive there were the following numbers of level crossings dealt with: by highway diversions, 469; highway crossings closed, 572; overhead highway, 94; crossing subway, 107; wig-wag signals, 25; bells and wig-wags, 201, and electric bells, 39. That amounts to roughly 1,500 in those five years.

In regard to last year, in 1934 there were altogether 32 attended to in various ways; by diversions, closing of crossings, overhead or subway crossings or protection by wig-wags or bells. As I told my hon. friend, the numbers were not large in the past year; it is a good deal less than in the other years given, I think.

Mr. ELLIOTT: Can my hon. friend tell me whether or not there were any of those in rural sections?

Mr. MANION: I regret to say that I endeavoured to find that out and could not get it, but I assume there were. I should imagine that most of the diversions by overhead or subway might be in cities, but the highway diversions would probably be outside of cities.

Mr. ELLIOTT: Perhaps my hon. friend will get that for me?

Mr. MANION: Yes, I shall gladly do so. My hon. friend may if he chooses ask the board of railway commissioners and they would give it, but if he wishes I will ask them.

Mr. GAGNON: Will the expenditure of this money for these purposes be made solely under the control of the board of railway commissioners?

Mr. MANION: It will be so far as the board of railway commissioners can handle it. I explained that this morning. But there may be cases with which the cities or municipalities or the railways affected refuse to have anything to do, in other words simply saying they have not the money to put up, as happens in connection with many applications. Under such circumstances clause 10 of the bill permits the government to allocate a greater amount. It will still be done under the board of railway commissioners, but instead of forty per cent up to $100,000 there might be in respect of situations involving small expense some change made. But it would be our desire, along the lines of the suggestion of the hon. member for West Middlesex (Mr. Elliott), that this money should be used rather for crossings in many small municipalities and rural localities than for a few works involving huge amounts in the larger cities.

Mr. LAPOINTE: Do I understand that in cases where the government will pay the whole amount, the selection of the places at which the work is to be done will still be in the hands of the board of railway commissioners?

Mr. MANION: Yes, as far as I know. That is my understanding at present.

Mr. GAGNON: Shall we be in order if we make application to the Department of Railways and Canals for the kind of construction contemplated by this legislation?

Mr. MANION: No, the application should be made, as is always the case, to the board of railway commissioners.

Mr. MICHAUD: Since the minister has been kind enough to inform the committee that part of this vote may be used to help

out municipalities or provinces or railway companies in correcting obstructions or eliminating level crossings which otherwise would be too costly for them to deal with, I wish to direct his attention to a situation which is very inconvenient to the travelling public of Canada, because it is on the trans-Canada highway.

Mr. MANION: Would the hon. gentleman permit me to interrupt?

Mr. MICHAUD: Yes.

Mr. MANION: The hon. member does not take up much of the time of the house, therefore I hesitate to make this interruption, but I am afraid that if we get into a discussion by hon. members on both sides as to individual level crossings in their ridings concerning which they wish to get something done, we shall not make much headway. I make that submission with all deference and respect, and not with any desire to shut off discussion.

Mr. MICHAUD: Perhaps I may be permitted to take a few minutes regarding this matter, for the circumstances are unusual and an exception to the situation which generally arises under the existing laws. It relates to twenty-six level crossings on a twenty-five mile stretch of the trans-Canada highway. This situation can be corrected only by the good will and cooperation of the two great railway systems, the Canadian Pacific and the Canadian National, because these crossings can be removed by either railway taking running rights over the other. The two railways run parallel, at some places only five feet distant one from the other. This matter has been taken up with the railways and with the board of railway commissioners, but they have deferred doing anything about this dangerous situation by reason of the cost, or possibly because of hesitancy on the part of either railway to cooperate by granting running rights to the other, perhaps owing to the cost. But as some of this appropriation can be used under unusual conditions to supplement whatever the railways would ordinarily be required to pay under the existing law, I should like to ask that the Minister of Railways be kind enough to inform the board of railway commissioners and the railways affected that they can now remedy the situation by accepting the plan which has been suggested, which will do away with twenty-three level crossings. If the Canadian Pacific obtain running rights over the Canadian National it will save the province of New Brunswick many thousands of dollars and will remove twenty-three level crossings in a distance of twenty-five miles.

Mr. HANSON (York-Sunbury): I understand the position the hon. gentleman has been endeavouring to make clear to the committee, and what he says is quite right. Between the town of Edmundston and the town of St. Leonard in a distance of twenty-five miles there are twenty-six level crossings, most of them over the tracks of the Canadian Pacific. I have travelled over the road by car hundreds of times and I know the danger to traffic at these crossings. The whole difficulty could be obviated, with the exception of two level crossings, if the Canadian Pacific would cooperate and, from Grand Falls north, operate over the National Transcontinental, and not a cent would be required out of the grade crossing fund. There are two crossings that could not be eliminated, according to my recollection, except at very great expense. If by a little effort on the part of someone in authority the two railways could be brought together so that they would use the one track where they now run parallel that would be a good effort at coordination and would mean a saving of human lives, because a good many lives have been lost at those level crossings since the automobile came into the picture. I commend the suggestion of the hon. gentleman to the Minister of Railways.

Mr. MANION: I shall gladly draw the remarks of both hon. members to the attention of the board of railway commissioners.

Mr. COTNAM: In connection with this discussion of bill No. 63 I wish to direct the attention of the committee to a situation that exists in the constituency of North Renfrew. Under this bill we are being asked to authorize the guarantee of certain railway equipment securities. At the moment I have on my desk a petition directed to the Minister of Railways requesting that a station be erected at the village of Beachburg in the constituency of North Renfrew. That station provides accommodation for the villages of Beachburg and Westmeath, and also for hundreds of individuals in the townships of Westmeath and Ross. This petition is signed by 185 farmers and business men in that section. The station was destroyed by fire in 1931, and since that time the management of the Canadian National have made no move to provide station accommodation for these people. They have fitted up an old railway coach at that point, but the accommodation is entirely inadequate. Because of the economic situation these people have been hesitant about asking the management of the Canadian National to provide a new station, but I think the time has come when the Minister

of Railways should direct the attention of the management to this situation. Last year about $80,000 worth of freight traffic originated in that locality, consisting of shipments of live stock, grain, hay and pulpwood.

This station is on the main line of the National Transcontinental, and the only passenger service is provided by two night trains, one going west at 11 p.m. and the other going east at about 4 a.m. This accommodation is entirely inadequate. The Canadian National come to this house and ask the taxpayers of this country to meet enormous obligations; they are looking for traffic for the road, and here is a locality that has provided an immense amount of traffic but receives no service in return. When those people wish to travel they must drive to this point at night, and very often the station is not even heated. Sometimes the transcontinental trains are three and four hours late, and the people are expected to wait in an old railway coach. Because they have accepted the situation and have not made a vocal protest against it, the management of the Canadian National have simply ignored the needs of that locality. I notice in the daily press that the government are being asked to guarantee bonds of the Canadian National totalling $48,400,000, and I think in view of that situation the people in these localities should receive adequate service and accommodation. Previously a gasoline car operated on this line; to-day there is absolutely no competition with the Canadian Pacific during the day-time. Formerly there was one local car east and west, from Ottawa to Pembroke, daily, and that served the people along that line. No doubt the Canadian National obtained a good deal of passenger traffic through that service, but even that has been discontinued.

While I am on my feet I should like to mention another matter. An application has been made by the management of the Canadian National for permission to discontinue service on a branch line in the Locksley subdivision from Golden Lake to Pembroke Junction, a distance of twenty-two miles. The application is to be heard by the board of railway commissioners on April 24. This branch line is part of the old Canada Atlantic system which ran from Pembroke to Parry Sound. The application is based on the business during the two worst years of the depression, 1930-31 and 1932-33. I asked the Minister of Railways to secure from the management of the Canadian National the information with regard to the earnings on that line during the good years, say from 1920 to 1930, but they said this would entail too much labour on their part and they could not give the information. The application is to be heard in the town of Pembroke in the very near future, and I want to protest in the most vigorous terms possible against the action of the management of the Canadian National in this regard. Under existing conditions, when the taxpayers of this country are paying the piper I think they have a right to call the tune, and I think the management are altogether too arbitrary. We have a right to that information; without it the railways are not in a position to make their application and we are not in a position to present our evidence. We should know what they earned on that road in the good years. In dealing with this particular branch line they took the lean years. The business in that section of the country is to a great extent connected with lumber, pulpwood, boxwood and materials of that kind. Everybody knows that during all those years—

Some hon. MEMBERS: Order.

Mr. CASGRAIN: The minister says so.

Mr. COTNAM: During all those years that type of industry has been affected as have other industries throughout the country.

Some hon. MEMBERS: Order.

Mr. COTNAM: Oh, it is all right. I have as much right to talk as any other hon. member. Last night the hon. member for Quebec East took up two hours of the time of this house.

Mr. LAPOINTE: I never did.

Mr. COTNAM: Then it was the hon. member for Quebec South.

Mr. POWER: If you mean me, I was talking about something which was in order, and not about something entirely out of order, as is the hon. member.

Mr. COTNAM: I am very doubtful about that. Throughout this whole discussion very wide latitude has been allowed hon. members opposite. They have talked about anything they liked, so far as the railway problem is concerned.

Mr. DUFF: Come over here and talk.

Mr. COTNAM: I am talking exactly the way I feel. I should like to make a further protest. At the present time the board of management of the Canadian National Railways propose to take up the steel on that section of the Pembroke-Parry Sound branch of the Canadian National system for a distance of fifty miles. That particular section of the

road runs through part of Algonquin park. Not long ago we passed a vote providing assistance to tourist traffic. We have an enormous tourist traffic throughout Canada and the closing of that line of railway would shut off that particular section of the country. Incidentally it would embarrass those who hold lumber interests in that section of the province. I wish to protest strenuously against the taking up of the steel, when we know that the building of a small trestle costing only $40,000 or $50,000 might keep the line open to Parry Sound.

Mr. ELLIOTT: May I mention to the minister that when section 6 is reached I propose to move an amendment to insert the words "by public advertisement" after the word "tenders", and in section 7 I will move to substitute the word "five" for the word "fifteen" in the fifteenth line of that section. That is, tenders would be advertised in respect to works of an estimated cost of $5,000 rather than $15,000.

Mr. CASGRAIN: I have been most surprised and astonished at the discussion which has taken place. Constantly we are being accused of blocking this bill and not giving the government a chance to proceed with its relief measures. Now, at 3.30 in the afternoon we find hon. members on the government benches joining us in our criticism, and giving reasons why additional changes should be made to the bill. I understand all is not well among hon. members supporting the government because we see the hon. member for North Renfrew suggesting certain improvements which could be made to the bill. Then we find the hon. member for York-Sunbury, the Minister of Trade and Commerce joining in the suggestions made by the hon. member for Restigouche-Madawaska.

Mr. GORDON: Why not?

Mr. CASGRAIN: The Minister of Trade and Commerce suggested that the recommendations be taken into consideration. It is most amazing to find that the Minister of Trade and Commerce who sits in the councils of the nation, and attends at the round table has not been able to make his will prevail. I believe that is against all traditions of parliamentary government. This bill stands in the name of the Prime Minister; it is drawn up by the Prime Minister, the head of the country, and is one to which all ministers have been parties. They should know what is in it, but still we find the Minister of Trade and Commerce not satisfied with the measure, and asking for more.

Mr. MANION: You ought to feel better now.

Mr. CASGRAIN: Yes, a little bit,—just as my hon. friend feels better when he addresses remarks to this side of the house.

Mr. MANION: Certainly.

Mr. CASGRAIN: May I be permitted to ask a question of the Minister of Marine concerning a later item?

Mr. LAPOINTE: Oh no, no!

Mr. CASGRAIN: Well, if other hon. members have further questions I shall sit down.

Mr. MUNN: May I support the observations of the hon. member for North Renfrew. I am familiar with the Algonquin park territory, and I realize how great a mistake it would be if the Canadian National Railways were to take up the rails on the section of the road about which the hon. member has spoken. A great deal of the tourist traffic could be directed towards the park. I shall not take up further time but inasmuch as I know that section of the country I feel it would be a great mistake to take up the rails.

Mr. CHAIRMAN: Shall item 2 carry?

Some hon. MEMBERS: Carried.

Item 2 of schedule agreed to.

Item 3.—Montreal harbour improvement and deepening—$3,500,000.

Mr. CASGRAIN: Then, I find that item 3 is a vote of $3,500,000 for Montreal harbour improvement and deepening. Some time ago when the estimates of the Department of Railways and Canals were under discussion some observations were made respecting the ship channel at the port of Montreal, and upon that occasion a question was put to the minister by the hon. member for Laurier-Outremont (Mr. Mercier), asking if the report of the engineers who were looking into the situation in Montreal harbour had been received. I believe if I recall correctly the minister stated the report was shortly to be presented, and that upon that occasion he would make known to the house and country the situation which exists, and what could be done to relieve the conditions in that port. Is this vote of $3,500,000 to implement the report of the engineers who have looked into the matter, and what are the improvements to be made?

Mr. DURANLEAU: The report which was to be made by the interdepartmental committee of engineers was in fact an interim report based on incomplete data, because the

field works have not been completed, and we cannot base a general program of development of that port on the interim report. For the information of the hon. member I may say that the interim report was received only a few days ago and is presently being studied by the government. I must state however it is a departmental report and the government will have to decide whether it will be tabled or not. In the short time at my disposal I do not need to stress the importance of improvements to be made to the harbour of Montreal. The works which we intend to carry under this vote will not in any way, shape or form interfere with the findings of the interdepartmental committee. We are doing only the works which are considered absolutely necessary. The main improvement will be the deepening of the harbour, and every hon. member knows the necessity of this as the water has been very low. There will also be repairs and construction of piers and sheds and the providing of general facilities for the harbour. Out of this vote of $3,500,000 we intend to carry out as much as possible of the program of the harbour commissioners. Their program for the coming year provided for the completion of the construction of a portion of Laurier pier to a low level on the downstream face and a portion of the outer end, for a total length of approximately 750 feet. The construction of this pier was undertaken some years ago, about two-thirds being completed to a depth of 35 feet. This work is absolutely necessary as that part of the harbour has been dredged to a depth of 35 feet based on the datum of 1897 and 32½ feet based on the low level of 1934. The next item in the program is the reconstruction of the Sutherland pier in such a manner as to provide for the deepening of the adjoining berths to a depth of 35 feet at low level. This construction is considered absolutely necessary at the moment. The third item is the reconstruction and the raising to a high level of shore wharves at sections 40, 41 and 42 for a distance of approximately 1,500 feet. Fourth, the reconstruction of approximately 500 feet of the wharf at section 30 and 31. Fifth, the extension of the marine jetty at elevator number three, section 43, for a distance of 150 feet to improve the equipment at the elevator to permit the unloading of grain from ocean vessels. Sixth, the reconstruction of Windmill Point wharf for a distance of approximately 1,488 lineal feet. These are the most essential works outside of the deepening of the harbour itself. Hon. members know that the ship channel of the St. Lawrence has been dredged to a depth of 35 feet.

[Mr. Duranleau.]

Mr. STEWART (Edmonton): Has it been completed to that depth?

Mr. DURANLEAU: I am told by the engineers of the department that it will be completed probably by the end of June or July to a depth of 35 feet at the level of the St. Lawrence of 1897.

Mr. GARDINER: What does that mean?

Mr. DURANLEAU: It means it will be dredged to 32½ feet at the lowest water of 1934. It has been dredged to this depth to a point 4,200 feet below Jacques Cartier bridge. This means that all the east portion of the harbour will have a channel of 32½ feet by the end of June or July.

Mr. STEWART (Edmonton): Will there be a depth of 35 feet from Montreal to Quebec?

Mr. DURANLEAU: There will be a depth of 32½ feet at the low water of 1934 from Montreal to the sea.

Mr. GARLAND (Bow River): What is the estimated cost of the construction of 750 feet of the Laurier pier?

Mr. DURANLEAU: It will be between $400,000 and $450,000.

Mr. GARLAND (Bow River): What is the estimated cost of the reconstruction of the Sutherland pier?

Mr. DURANLEAU: From $900,000 to $1,000,000.

Mr. GARLAND (Bow River): I should like to have the estimated cost of each of the six items mentioned by the minister. The next item is the raising of the shore wharves at sections 40, 41 and 42, the next is the reconstruction of the wharf at sections 30 and 31, the next is the extension of the marine jetty at section 43 and the next is the reconstruction of Windmill Point wharf.

Mr. DURANLEAU: The total estimated cost of the works just mentioned is from $4,500,000 to $5,000,000. As I have just stated, these works are included in the program of the harbour commission for the coming year. The sum of $3,500,000 will not be sufficient to carry out all these works but we would like to carry on the most urgent ones. It may be that the harbour commission will undertake the completion of some of the abovementioned items, in the usual way, by loans from the government.

Mr. GARLAND (Bow River): Could the minister give the estimated costs of the reconstruction of the shore wharves at sections 40, 41 and 42?

Mr. DURANLEAU: About $1,300,000.

Mr. GARLAND (Bow River): And in connection with the wharf at sections 30 and 31?

Mr. DURANLEAU: Between $400,000 and $500,000.

Mr. GARDINER: Is this to be in the form of a loan to the Montreal harbour commission or is it a gift from the treasury of this country. In the past we have loaned money to these harbour commissions upon which interest has been paid. While I am on this subject does the minister know what the Montreal harbour commission has paid by way of interest during the last five years?

Mr. DURANLEAU: Up to date the harbour commission of Montreal has paid the exchequer of Canada the sum of $36,000,000. That is made up of $2,000,000 of capital, and the difference is interest, paid mostly at the rate of five per cent. The harbour commission of Montreal is still paying five per cent on perhaps eighty per cent of the amount owing to the exchequer of Canada.

Mr. GARDINER: Did they meet the interest liability last year?

Mr. DURANLEAU: I am not sure if the harbour commission has paid in full the instalment which became due I think on January 1, but up to then I am sure that all the interest had been paid.

Mr. GARDINER: With regard to the first question I asked, will this be added to the sum total of the liabilities of the harbour commission to the federal government, or is this a gift from the exchequer to take care of unemployment?

Mr. DURANLEAU: This expenditure is being made as part of the public works program, and it is not a charge on the harbour commission. As a matter of fact, the deepening of the St. Lawrence, and the deepening of all the harbours of Canada, has always been done at the expense of the federal exchequer, and as the port of Montreal is a national port feeding every part of Canada I think it is entitled to have its harbour deepened at the expense of the federal exchequer.

Mr. GARLAND (Bow River): The minister mentioned the deepening of the harbour. What is the cost of that deepening?

Mr. DURANLEAU: There is no estimated cost for the entire deepening of the harbour, but as I stated to the committee a moment ago a certain portion of the $3,500,000 will be allocated for deepening.

Mr. GARLAND (Bow River): How much?

Mr. DURANLEAU: I could not say exactly how much at the moment, because we intended to get a larger amount than $3,500,000, and I shall have to discuss the matter with the harbour commissioners and with the engineers who have studied the improvements to be made in Montreal harbour, also with the shipping interests of Montreal and of Canada before an exact amount is allocated for deepening the channel.

Mr. GARDINER: I should like to know from the minister just what is the reason for the change of policy which the present government has brought into effect with regard to financial assistance for the various harbours of Canada. In almost all the important harbours in this country we have harbour commissioners to look after the business of the harbour, and from time to time they have borrowed money from the federal government to provide the necessary works in the harbours over which they preside, and the federal government has always charged them a certain rate of interest for the use of that money. So far as I personally am concerned I have never objected to the loaning of the money to these harbour commissions provided I felt the works were necessary for the welfare not only of that particular harbour but of Canada as a whole, and I am just wondering why at this late date we are now changing this policy which we have pursued for many, many years of making the harbour commissions responsible for the spending of money that is advanced to them, and responsible also for collecting sufficient dues to pay the interest on the money so borrowed and sufficient finally to liquidate the liability to the federal treasury. I cannot conceive that the policy has been changed simply for the purpose of providing unemployment relief, because after all is said and done the government of this country could well approach these various harbour commissions and consult with them as to the possibility of providing work through legitimate construction deemed advisable in these harbours which would be of value to the country, and the expenditure could then be made under the jurisdiction of the commissioners, who would be responsible for the repayment of interest and the repayment of

principal eventually. Why has the government changed that policy? It cannot be said that it is because of the unemployment situation because that could be taken care of by advancing to these harbour commissions the loans to do the work which they consider is necessary in these harbours.

Mr. DURANLEAU: I do not think the policy of the government has been changed. Some grants have been made heretofore to harbours in Canada, and the deepening of other harbours in Canada has been done at the expense of the federal exchequer, but even if there was a change of policy my hon. friend will admit that we have changed our policy in favour of the western provinces to a great extent.

Mr. GARDINER: So far as the deepening of the Montreal harbour is concerned or any other harbour, I am quite in agreement that the deepening should be done at the expense of the federal treasury, but when we come to all these other works which the minister has outlined in connection with Montreal harbour, I submit that that is a different policy altogether from what we have had before. When we have had estimates before this house for harbour commissions in the past I have never taken any objection to them no matter where the harbour was situated because I realized this important point, that if it is necessary to construct harbour works in Montreal or Quebec or the eastern provinces the construction of such works is of just as much benefit to the western provinces as to the east. I look on them as national undertakings of benefit to Canada as a whole and not for the benefit of one particular locality. In the fourteen years that I have been a member of this house I do not remember our ever having made gifts before to harbour commissions for works in harbours. It has always been done by way of loan.

Mr. DURANLEAU: Under the Public Works Construction Act of last year we made expenditures in all the harbours of Canada at the cost of the federal exchequer.

Mr. GARDINER: I was probably away at the time. But that does not change the principle. If the harbour commission of Montreal feel that they need these works for the benefit of that harbour and for the benefit of Canada as a whole, I am quite willing that they should have a loan as they have had in the past, but I cannot conceive of the necessity of changing our policy at this late date merely on the assumption that we are going to provide for unemployment. If the harbour commissions receive a loan as they have done in the past they can provide for unemployment just as well as the various departments of the government can do it. I submit that it is a retrograde policy. The former policy was a good policy and a sound one. It placed the harbour commissions on a business basis. But now we are departing from that policy on the assumption that it is necessary because of unemployment. I submit again that unemployment can be provided for by making loans to these commissions to carry on the work which they think is advisable to be done, and that would provide for unemployment just as well as it could be done by a department of this government, and it would be far more efficient than this method of having the work done.

Mr. GARLAND (Bow River): When was the report of the inter-departmental committee on water levels received by the minister?

Mr. DURANLEAU: The report is dated March 4, but I received it I think at the beginning of April.

Mr. GARLAND (Bow River): The minister has pointed out that this is only an interim report. May I ask who described it as such, the committee itself or the department? Why is it regarded as an interim report?

Mr. DURANLEAU: The committee was not ready to make a final report, and so it was asked to make an interim report especially on the cause of low water conditions in Montreal harbour. They said: We can make such an interim report, and that is what they did. As to the general improvement of the harbour, they were not prepared to adopt any scheme, and that is why the works we intend to carry on this year will not be affected in any way by any scheme of improvement to be suggested.

Mr. GARLAND (Bow River): Are the terms of the interim report in any way in conflict with the recommendations of the Montreal harbour commission?

Mr. DURANLEAU: Not as to the works contemplated under this item of $3,500,000.

Mr. GARDINER: I understand the minister to say that the interim report deals more specifically with the reason why the water in the harbour has been lowered and does not at the present time deal specifically with the harbour works. Can the minister give any indication as to the reasons suggested by the interim report why the water has been lowered in Montreal harbour?

Mr. DURANLEAU: I would be pleased to tell the committee, but our time this afternoon is very short. I can however state that the interim report deals with harbour works with no definite conclusion. As to low water conditions the report shows that since the year 1897 the lowering of water levels was 2·98 feet, practically the same in all the rivers of Canada.

Mr. LAPOINTE: Providence has made Quebec the deep water port of the St. Lawrence.

Mr. DURANLEAU: According to the report, 1·63 feet of that loss is due to the enlargement and obstructions at Montreal, and in the river below. The difference of 1·35 feet is due to reduced supply of water from the great lakes. The report states that the reason for the reduction in the flow of water is due to the low average precipitation during the last five years on the great lakes basin.

Mr. HOWARD: I want to make just two or three remarks on the item and also on the bill and to ask a few questions of the minister. On the cover of the bill it says:

An act to create employment by public works and undertakings.

And the words "throughout Canada" are added.

Mr. LAPOINTE: Nothing in Sherbrooke.

Mr. HOWARD: I have been looking through this bill, and I marvel that the five members from the eastern townships of Quebec who are sitting behind the government have not taken any steps to see that that promise "throughout Canada" is carried out. I do not consider the proposition a fair one, and I think if the government had been sincere in this legislation they would have apportioned the works to the different sections where unemployment is at its worst. The government bring in a bill providing for public works and saying "throughout Canada," and there is attached a general list without details. It happens that we have no harbours in Sherbrooke; it is not a seaport. We are not finding fault with Montreal or some other places that are getting consideration under this bill; but when the government say that this is a scheme to remedy the unemployment situation throughout Canada and they neglect entirely some of the centres that have been most badly affected during the depression, making no provision whatever for them, it is time that members from the eastern townships who sit behind the government should object to such legislation. I say this because last year when the $40,000,000 appropriation was passed, apart from two special points none of the money was spent in the eastern townships. In any case, out of the $40,000,000 voted, only $8,000,000 has been paid out, leaving quite a balance. Now, instead of having a real program of public works apportioned throughout the length and breadth of Canada in those centres which need employment, the government brings in a bill to provide a specific sum and under this it seems to me that the eastern townships are being entirely neglected as is usually the case under the present government.

The first item refers to railway grade crossings. The Minister of Railways said this morning that he had nothing to do with that; that it came under the board of railway commissioners. Two of the main highways constructed by the Quebec government run across two of the most dangerous level crossings there are, one in Bromptonville in the county of Richmond and the other in Ascot in the county of Sherbrooke. The elimination of those level crossings has been asked for years and years, and the reply has been that the money had not been voted.

Mr. MANION: Those crossings may receive attention under this appropriation.

Mr. HOWARD: I am glad the minister said that, because he knows they will not.

Mr. MANION: I do not know any such thing.

Mr. HOWARD: We will watch and see what happens.

The next is geological surveys. The Minister of Mines is in the house; I listened carefully to his remarks and did not interrupt him. Apart from the new development in northern Quebec and northern Ontario, one of the best mining sections in this country is through the eastern townships of Quebec. At the present low price of copper, about the only copper mine that is being operated at a profit is in the county of Stanstead just a little distance from Sherbrooke. Stanstead is represented by a Conservative member in this house. Some of the families who have made some political success in the parliament of Canada, have made a good deal of their money through gold mining in the eastern townships. No statement has been made that any of these geological surveys will be carried out in that section of the country.

Mr. GORDON: The hon. member has no reason to give up hope.

Mr. HOWARD: I am making these statements just because of the past actions of the government under the $40,000,000 appropriation of last year. Knowing what happened in connection with that money, I expect they will carry on this year as they have done in the past five years and that that section of Canada will have to look after the unemployment situation there with the property owners and taxpayers of that district paying to support their unemployed. When public works money is passed around and legislation such as this is brought in, I presume we will get the same consideration this year as we have received during the past four. This is highly unfair.

The next items cover harbours, canals, a tunnel in Toronto and so forth. I am not finding fault with those works, but I say that basically the whole affair is wrong. If the government were sincere in trying to improve the unemployment situation, they would pick out all the centres where unemployment exists and where the money is really needed. In the constituency of the Minister of Mines there are no unemployed.

Mr. GORDON: Yes, we have always had unemployed.

Mr. HOWARD: Well, to the least degree of any part of Canada at the present time.

Mr. GORDON: I would not say that.

Mr. HOWARD: When there are 700 families on relief in a city like Sherbrooke, which is one of the five principal cities in Quebec, such centres should receive consideration from the government. I am not saying that in criticism except to draw attention to the fact that this government is not doing its duty by that section of Quebec, and I protest against the people there being called upon to pay taxes to prevent real estate owners who cannot meet their mortgage interest from being sold out, in order to keep up the stream of money flowing in to the coffers of the present government, yet when an unemployment situation exists and a bill to remedy it is brought in, no consideration is given to the eastern townships of Quebec.

Mr. GOBEIL: I certainly had no intention of taking part in this debate and I shall detain the committee only a very few minutes. I cannot let pass the contention of the hon. member for Sherbrooke that this government has done nothing for the eastern townships. He has very carefully refrained from suggesting any public works that could be carried out in Sherbrooke. Last year, after the public works program was passed by this house, I met several business men from Sherbrooke who were complaining and I put this question to them: What public building do you expect the government could erect in Sherbrooke? They could not name any, because there was not any. There is not a single dollar for my constituency of Compton, and I do not object. The only thing I could have the government build would be a post office, and unfortunately for myself the revenue of the post offices in my constituency which have not already public buildings is not sufficient to justify the building of a post office. This government is not throwing away money, it is trying to spend money where it can be spent usefully. The hon. member for Sherbrooke says that the government has done nothing for Sherbrooke. I say that this government has helped the city of Sherbrooke perhaps more than any other city in this dominion. My hon. friend admitted it himself when he made a report to the board of trade last fall and in his speech used these words, which I have already quoted in this house:

> The situation is sensibly improving in our city. The business activity is increasing. The commerce is more stable, and unemployment diminished. This is the encouraging declaration of Charles B. Howard, member for Sherbrooke at Ottawa, contained in a message to members of that chamber last night in submitting his report on the activities of the industrial committee, of which he is a member.

Further on he said:

> In a comforting report made to the chamber of commerce, Mr. C. B. Howard reveals that our silk industries are running at full time at one hundred per cent capacity, and are closely followed by the Paton manufacturing company and all the iron and steel manufacturers.

Now I think this activity in the city of Sherbrooke is due chiefly to the tariff policy of this government, and the support which that policy has given to industries. I understand the hon. member for Sherbrooke is a heavy shareholder in the silk mills, and I have no doubt he gets a very nice profit from the shares he holds in these companies that are running at one hundred per cent capacity due to the protection afforded by this government.

Mr. HOWARD: I did not expect to speak again, but may I say this, which perhaps will read better in Hansard than what my hon. friend has said; these results have been attained in spite of the actions of the present government.

Further, the report he mentions was not a speech I made. He has not read the newspaper correctly, but I have no reason to correct him because it makes no difference. And when my hon. friend criticizes that re-

port, while it is not strictly on this subject I might say that in his constituency he could have done a little more for the agricultural industry than he has done.

Mr. CASGRAIN: I think it is in order here to offer some remarks regarding certain facts pertaining to the administration of the port of Montreal. There was discussion here some days ago regarding the painting of the harbour bridge, the contract for this work having been given under the authority of the Minister of Marine by order in council P.C. 1869 of August 18, 1934, which states, according to the papers which have just come to hand, that:

The minister observes that the Montreal harbour commissioners reporting on the tenders state:

"After investigating we are satisfied that lowest tender for application of paint to bridge not having been accompanied by accepted cheque should not be considered, particularly as reports of his financial position are most unsatisfactory."

The minister, in view of the above, recommends that he be authorized to enter into contracts with International Paint (Canada), Limited, Thorp-Hambrick Company, Limited, and Canada Paint Company, Limited, for the supply of what paint is required, and to enter into a contract with F. J. Leduc and associates of 354 St. Catherine street east, Montreal, for the application of the red lead and final field coat of paint to the bridge, in accordance with tender prices. The committee concur in the foregoing recommendation and submit the same for approval.

By the papers produced here to-day we find that four firms tendered:

L. Knight	$30,905
F. J. Leduc and associates	49,500
James Pitcher	49,900
R. F. Walsh & Co. Ltd	52,232

This last firm I might mention had the advantage of having the contract the first time the bridge was painted; two coats were supplied at that time. Looking at the tabulation of those tenders we find that the tender of F. J. Leduc and associates was $49,500 for application of first coat including 200 gallons of red lead. Application of second coat $100 less than James Pitcher, $36,500. For application of extra red lead per gallon Leduc tendered $25; Knight, $8; and Walsh, $7.

Now one point to which I wish to call the attention of the house is that on the 3rd of August a letter was sent from L. H. A. Archambault, secretary of the harbour commissioners of Montreal, regarding the painting of harbour bridge structural steel, in which it is stated:

It is understood that the commissioners do not bind themselves to give either one of the contracts to any or the lowest bidder or bidders in each case, the reputation, financial standing, time required for the execution of the work, and similar qualification of the bidders, as well as the amount of both tenders, considered as a whole or separately, will concurrently be considered in the awarding of the contract.

And the last paragraph, which I consider most important, is this:

Accepted cheques on a Canadian bank, to the amount of 30 per cent of the amount of each bid are to accompany the tender, otherwise the tenders will not be considered.

Now when we look at the papers produced to-day we find that in the cases of Knight and Leduc they did not put in any cheque with their tender, "but willing to supply" is the remark in the order in council.

Mr. DURANLEAU: May I be permitted to tell my hon. friend that the security was asked for by the harbour commissioners: this committee knows these works have been put under the direction and supervision of the harbour commissioners and their chief engineer. The specifications were drafted by them and the tenders asked for by them, and the specifications stipulated as security a deposit of thirty per cent of the amount of the tender.

Mr. CASGRAIN: That is what I said.

Mr. DURANLEAU: Now it is true that Walsh & Company was the only firm which sent in a cheque for thirty per cent of the tender. That was an absolutely unusual demand for security. As a rule it is ten per cent, and in some cases five per cent. But anyhow thirty per cent was asked, and after the tenders were in F. J. Leduc and associates sent in their accepted cheque for $14,850. The note that appears on the schedule that we have filed is incorrect, inasmuch as on August 14 three or four days before the order in council was passed, Leduc and associates had deposited an accepted cheque for $14,850 which was exactly thirty per cent of the tender. As I told this committee the other day, I might add that the lowest tender, at $30,000 was not accompanied nor followed by an accepted cheque, and was so low that it could not be considered seriously. As a matter of fact I have a certificate that the amount paid by Leduc for wages and insurance for that work exceeds the sum of $44,000.

Mr. CASGRAIN: I would not object to the hon. minister interrupting if I thought he would give further explanations than those he had given the other day. But I am basing my remarks upon the papers which were tabled this morning on the request made by the hon. member for Témiscouata (Mr. Pouliot) and also upon sources of information obtained by myself over the week-end when I was in Montreal, which sources are of such a nature

that I cannot doubt their correctness. I might take the answer of the minister as being correct, but the facts are there. There is the letter which was sent all the firms on that list, who were supposed to be able to carry on the work properly, the last paragraph of which I have just mentioned, stating that no tender would be considered if it was not acccompanied by a certified cheque for thirty per cent of the amount of the tender. I hold in my hand a copy of the specifications which accompanied each letter, and on page 4 of this copy I find the same provision:

> Each tender for the painting of the Jacques Cartier bridge is to be accompanied by an accepted bank cheque in favour of the commissioners for thirty per cent (30%) of the tendered price, which cheque will be handed back to the maker, should his tender not be accepted, as soon as the awarding of the contract can be decided upon, but the proceeds of which will remain in the commissioners' hands as security for the carrying out of the contract, according to the conditions of this specification, in case the accompanying tender is accepted.

The next paragraph deals with the number of coats:

> The objective is to have two coats of paint applied besides that of the red lead patching. For different reasons, however, the bidders shall submit two different and independent tenders, each covered by individual guarantee.

My information—and it is also contained in the report—is that no certified cheques accompanied the tenders of Leduc, Knight or Pitcher. That is the remark of the officials of the harbour commission, or the officials of the Department of Marine who prepared the documents which have been filed here as reference No. 261. When we come to the name Walsh the word "included" appears, indicating that the cheque accompanied the tender, in accordance with their instructions.

I find this matter most difficult to understand. I hold two accepted cheques in my hand. The first is for $15,669.60, to the order of the harbour commissioners of Montreal; it is on the Royal Bank of Canada, Montreal branch, and bears the number 3107. The other cheque bears the same date; it is numbered 3108 and is for $14,671.50, payable to the order of the harbour commissioners of Montreal. The minister has just stated that on August 14, a few days later, a certified cheque was presented by Leduc, but the time to forward these cheques was when the tenders were filed with the harbour commission, as was required by the letter and by the specifications. I am informed on good authority that the harbour commission were satisfied that Walsh, who had done the work previously without losing any men, as Leduc has done, who did the work in the required time and up to the specifications, should get the contract, because his was the only firm out of the four that tendered that had complied with the specifications. What happened between the time these cheques should have been filed, according to the specifications, and the time they were filed? I should like to know.

There is another point also. I am told that when the question of awarding the contracts was under consideration some person—I do not know who, or whether or not they were close to the government—went to Walsh and said, "It is of no use; you might as well withdraw your tender, because you are not going to get the contract." We have had some explanation from the minister in regard to this matter, but we would like to know why, when only one firm complied with the specifications, that firm did not get the contract, particularly when that firm had done the same work previously, and had done the following bridges as well:

Montreal harbour bridge.. .. .. .. (Now called Jacques Cartier bridge)	1930
Legault bridge..	1930
11 C.N.R. railway bridges on the main line between Toronto and Niagara Falls..	1930–1
Bridges over the Welland canal.. ..	1930–1
Bathurst street bridge..	1931
Roberval-Saguenay bridge..	1931
Sorel bridge..	1932
Hull-Gatineau bridge..	1932
4 bridges over the Beauharnois canal.	1932
Department Public Works Matapedia bridge..	1933
Chicoutimi bridge..	1934
Caughnawaga bridge..	1934

There was also attached to the tender a letter from the Royal Bank of Canada, dated August 6, 1934, and addressed to the harbour commission of Montreal, as follows:

> Dear Sirs:
>
> Re: R. F. Walsh Co. Limited
>
> We may advise that the subject company have been clients of ours for a number of years and our relations have been of a most satisfactory nature.
>
> According to the financial statements, which they furnish us, and with our knowledge of their principals we would consider them capable of carrying out any contract which they might undertake.
>
> Yours truly,
> The Royal Bank of Canada,
> (Signed) O. B. Thornton,
> pro-Manager.

The facts are as I have stated them, according to the documents that have been filed and that have been in my possession since this morning, and also according to the information I have received from the sources I have indicated. Naturally these

people think an injustice has been done them because of the fact that they were the only tenderers who, at the proper time and place, complied with all the requirements of the specifications.

Mr. DURANLEAU: My hon. friend has forgotten one fact; it is that Walsh and Company were the highest bidders. My duty was to protect the public interest. When I saw that security amounting to thirty per cent had been asked by the harbour commissioners, who I admit are my agents in the matter, I thought it was in the public interest to permit security cheques to be deposited by the other tenderers. After the tenders were filed, and I take the responsibility for that, I thought it was in the public interest when only one firm, the highest tenderer, had complied with the specifications in that respect. I am satisfied the work has been done properly. My hon. friend must have read in the press last week the statement made by the chief engineer of the Montreal harbour commission, following the discussion in this house, that the work had been done properly and that it had been supervised, inspected and certified as being entirely satisfactory. I think my hon. friend should not insist when the man he is defending was the highest tenderer. I think the political complexion of that firm is well advertised by the insistence of my hon. friend.

Mr. CASGRAIN: Just before my hon. friend sits down I want to tell him here on the floor of the house that I never met these people before; I never met Mr. Walsh and I did not know this firm until the question was brought up in this house the other day. Later a gentleman who about twenty years ago was in the employ of the office with which I was connected came to me and discussed this situation. I did not know the Walsh firm at all; until the question of this tender and contract came up I did not know they had ever painted the Jacques Cartier bridge. One fact remains, however; when the one tender came in accompanied by a certified cheque somebody must have tipped off the other people so that they could make a lower tender. One tender is for $49,900 and Leduc's tender was for $49,500, and he did not comply with the specifications. What is the use of calling for tenders and saying that certified cheques must accompany them, if the requirements are to be changed at any time?

Mr. GARDINER: A few moments ago I was inquiring as to the reason for the change of policy in regard to the treatment of the various harbour commissions, and in his reply the minister stated that grants had been made to harbour commissions on previous occasions. Leaving out the grants made under the public works bill last year I find that the hon. member for Vancouver North (Mr. Munn) recently asked the Minister of Marine this question:

> What amounts have been advanced to the following port authorities, Halifax, Montreal, Saint John and Vancouver up to December 31, 1934 (a) by way of grants; (b) by way of loans?

I wish to speak particularly about the minister's observations with regard to grants. This return shows the following information supplied by the Minister of Marine—I shall not give the information as to loans, because that is not under discussion:

> Halifax, by way of grants, nil.
> Quebec, by way of grants, nil.
> Montreal harbour, nil.
> Jacques Cartier bridge, nil.
> Saint John, by way of grants, nil.
> Vancouver, by way of grants, nil.

That bears out the statement I made that I have not known of grants being made to these harbour commissions until last year. In view of this information, which has come to hand since I asked the question in the first instance, I should like to ask if the minister can give the committee any information as to the reasons for the change in policy.

Mr. DURANLEAU: I have already told the hon. member and the committee that this policy was adopted last year at the time of the passage of the Public Works Construction Act, and was adopted for the purpose of relieving unemployment. When I used the word "grants" I may not have used a proper expression. I am sure public works in some harbours of Canada have been paid out of the public exchequer. I know for instance of one—

Mr. GARDINER: Prior to the setting up of the commission. The works were done prior to the setting up of the commission to control those works.

Mr. DURANLEAU: No; since the harbour commissions were incorporated I have known of some works for which payments have been made out of the exchequer. I remember, for instance, that there was some dredging done in the harbour of Quebec, at a place called the "Flybank" to allow the Empress of Britain to land in that harbour. The work was done to accommodate the first trip of the liner, and at the expense of the exchequer.

Mr. GARDINER: That was dredging.

Mr. DURANLEAU: Yes, but it was not dredging in the channel; it was dredging in the harbour. It is an improvement, like any under-water construction. I do not think my hon. friend should complain that since last year we have begun a policy of helping the harbour commissions in order to relieve unemployment, and especially when we have changed our policy with regard to the western provinces. I have never heard the hon. member complain about the change of policy by way of grants and loans so far as the western provinces are concerned. I believe it is only fair that we should help the other parts of the country in an effort to relieve unemployment.

Mr. LAPOINTE: Now will you be good?

Mr. GARDINER: I am in agreement, so far as the last remarks of the minister are concerned. Earlier in my observations I stated I had never made any objection to public works being conducted anywhere, so long as they were for the benefit of Canada, whether they were in the east or in the west. Any remarks I have made in this chamber since becoming a member of parliament will bear out my statement. It does appear to me however that we are not acting properly when we proceed on the assumption that we are going to relieve unemployment to a greater extent by making grants to harbour commissioners than by giving loans, as has been done in the past. That in my judgment is no substantial reason for a change of policy. I am just as anxious as the minister or any other hon. member to bring about relief of unemployment. I must say however that the past policy not only of this but of previous governments in dealing with harbour commissions has been by way of loans, placing the matter on a business basis so that the commissions would be responsible for the spending of the money loaned and for the dues and charges made to recover sufficient not only to pay the running expenses of the harbour but also to provide for interest on sinking fund. I say that is the best business basis upon which our harbours could be run. I am not satisfied with the answer the minister has given, notwithstanding the fact that the same principle was followed last year.

Mr. STEWART (Edmonton): I do not wish to repeat what other hon. members have said; I rise simply to emphasize some of the points which have been made with regard to this unemployment measure. I have been looking carefully through the schedule, and for the life of me I cannot understand why the government did not bring down the proposed expenditures in the estimates. More than half of the $17,000,000 should have been included in the estimates, in which event we would have had plenty of time to discuss them. I cannot understand why the government have followed this course, except they wish it to appear that these are extraordinary expenditures being made in the interests of the unemployed.

Dredging is not going to help unemployment very much. True, repairs to wharves will give a certain amount of work, but I know, the Minister of Public Works knows and every other minister knows that those works could have been included in the estimates, in which event we would have had plenty of time to discuss them in committee of supply. However we are asked to accept these proposed expenditures which, properly speaking, are additions to the estimates; we are asked to accept this gesture which would have the people believe these expenditures are being made for the relief of unemployment. Other than the items which could have been placed in the estimates I must say I can find in this bill very little help for the unemployed. It is true that the proposals offered by the Minister of Railways and Canals will undoubtedly create employment—there is some doubt as to whether or not those amounts are required, but I am not discussing that phase of the matter. Surely the government must realize that after five years in which serious conditions of unemployment have existed there still remains a similar condition, and undoubtedly we will have unemployment for some time. The government had plenty of time to include these items in the estimates.

Mr. STEWART (Leeds): Will the hon. member permit a question?

Mr. STEWART (Edmonton): Yes.

Mr. STEWART (Leeds): Will not just as much work be provided by expenditures authorized in a bill as by moneys appropriated through votes in the estimates? What difference does it make to the unemployed whether the money is provided through items in the estimates or clauses in a bill?

Mr. STEWART (Edmonton): It just makes all the difference in the world, because the whole business is nothing but camouflage. It is put forward for the purpose of making the people believe that this government is going to give unemployment

relief. In years of reasonable improvement greater amounts of money were voted in the estimates for these purposes than are now proposed as extra amounts.

Mr. STEWART (Leeds): In the year 1930 the largest estimates ever put through the Department of Public Works were voted on the eve of an election.

Mr. STEWART (Edmonton): Quite right.

Some hon. MEMBERS: Oh, oh.

Mr. STEWART (Edmonton): I have not mentioned an election; I am talking about unemployment, and I think the hon. member understands. When he sat on this side of the house he was not one of the kindliest critics of government proposals—and I have no fault to find with that. We propose to say exactly what we think about these expenditures; we will do it here as well as in the country. All these harbour improvements could have been voted in the estimates. Items 3, 4, 6, 7, 13 and 14, including operations of nearly every governmental department, could have been voted in the estimates. But my hon. friend wants to camouflage by saying that this is an extraordinary expenditure that we must undertake to take care of unemployment. Yet all the time they have been in office they knew that unemployment was prevalent. I am not complaining about these proposals as an election gesture; I am only thankful that the amounts have not been increased very materially for election purposes, if that is any comfort to my hon. friends, but I do protest that the policy of this government ever since they have been in office has been to seek to secure money from parliament by means other than the legitimate means provided for so doing. We have no chance to discuss these items. We do not even know what is going to be done with the $31,000,000 that is unexpended out of the $40,000,000 that was voted last year.

Mr. STEWART (Leeds): Yes, you do.

Mr. STEWART (Edmonton): I should like to know it.

Mr. STEWART (Leeds): I gave to this house an account in detail of every commitment of the government through the Public Works department.

Mr. STEWART (Edmonton): Is my hon. friend committed for the whole $31,000,000?

Mr. STEWART (Leeds): As the figures show, we are committed to practically everything that was allocated to the Public Works department, about $30,000,000 of commitments altogether.

Mr. STEWART (Edmonton): My hon. friend gave that information how many days ago?

Mr. STEWART (Leeds): Fully a week ago, when the estimates were up.

Mr. STEWART (Edmonton): For a whole year you have had within your power the right to spend $40,000,000 for the relief of unemployment; you have spent only $9,000,000, and even that was not expended—it was allocated.

Mr. STEWART (Leeds): My hon. friend is quite wrong again. That amount was expended, and the commitments and the amounts earned are considerably in excess of that. I estimate that up to the present time there has been $10,000,000 or $11,000,000 earned.

Mr. STEWART (Edmonton): Out of the $40,000,000?

Mr. STEWART (Leeds): Out of the $40,000,000.

Mr. STEWART (Edmonton): We voted $40,000,000 last year, gave the government practically a blank cheque, and on the minister's own admission there was spent of that $40,000,000, in one of the most serious years for unemployment that has prevailed in Canada, only $10,000,000. That was I presume in order that the government would have more money to spend this year. One can come to no other conclusion. I do object, Mr. Chairman, as I have objected upon every occasion, to this method of doing business. Items that properly belong to the estimates and that we could properly discuss under the estimates are being asked for under this blank cheque method. Take the statement of the Minister of Marine. He can spend that $3,500,000 any way he likes provided he does a few of the things he has intimated will be done. There is nothing definite about his proposals of expenditure and he can make any changes that he sees fit. That is not the way that public business should be done. I have been waiting for some time to say it and I want to say it now as emphatically as I can: it is not the way public business should be done, and it is not the way public business was intended to be done.

I have left out of this estimate the one million dollars for grade crossings, also the one million dollars for geological surveys, both of which should quite properly have been included in the estimates, but I have given the government credit for those two items and have classed them as extraordinary expenditures for the purpose of providing em-

ployment. But all the rest of the items are everyday ordinary expenditures of the government, as I see it and as anounced by the ministers themselves when making their statements to the house with respect to all these items. They may have some difficulty in allocating all this expenditure, but I for one do not want to be accused of delaying the government for one single minute from getting busy and providing the necessary employment which God knows is badly enough needed in this country, and will continue to be needed so long as this government remains in office.

Mr. SPENCER: I have been looking over Bill No. 113, that we passed last year voting some forty million dollars for public works and I notice that in schedule A there are no less than ten items of work to be done for the city of Montreal. I am not complaining of that but apparently only one-quarter of the money that was allocated last year has been spent up to the present time, and in spite of that we now have an estimate before us for a further $3,500,000 to be spent on Montreal. I entirely agree with those who have preceded me in criticizing the way in which we are being asked to vote this money. I do feel that the proper way was to put these items in the estimates as usual.

There is one item in particular that I wish to draw to the attention of the government, and that is the item of $500,000 for western conservation works. It does seem to me that that is an infinitesimal amount to spend on that huge project; it will not begin to meet the difficulties we are facing in the dried out areas of western Canada. I should like to ask whichever minister is responsible whether he intends to come back to the house for a larger appropriation than $500,000 for this great project.

Mr. REID: I have two questions to ask of the Minister of Marine. Are the deepening and dredging operations in the St. Lawrence carried out under his department, and is the work that is carried out in the western ports and on the Fraser river done under the Public Works department? My second question is this: Why is it that there is no appropriation for improvements and work on the Fraser river and at Vancouver? I protest that there is no such appropriation, and I have long protested that among many members of this house and among the officials of the department there is that eastern viewpoint and apparently a prejudice against the western ports.

[Mr. C. Stewart.]

Mr. DURANLEAU: Answering my hon. friend's first question, all public works in Canada, including the deepening and dredging of harbours and rivers, are under the Public Works department. The only dredging under my department is that done in the ship channel of the St. Lawrence river.

Mr. REID: We have ship channels in the west. The Fraser river has a ship channel and it is not as deep as it should be in certain spots. Will it be all right for us to make application to the Minister of Marine to have that channel deepened?

Mr. DURANLEAU: The Public Works department will attend to my hon. friend's request.

Mr. MACKENZIE (Vancouver): The minister did not answer my hon. friend's second question, why there is no appropriation here for Pacific ports.

Mr. STEWART (Leeds): I am surprised that my hon. friend from New Westminster should complain about the expenditures made on the Fraser river. Every year, as he knows, we have out of the regular appropriation kept one dredge and sometimes two working there the whole year round, and the expenditures on that river as compared with other ports are very heavy indeed. It is proposed to continue those expenditures and to do everything that is necessary to develop the harbour. I think my hon. friend upon reflection will agree that the expenditures have been generous and that we have gone the limit in endeavouring to deepen the Fraser river and to keep the port of New Westminster in good shape.

Mr. MACKENZIE (Vancouver): What about Vancouver?

Mr. REID: I have no apologies to offer for speaking on behalf of New Westminster and the Fraser river, because for every dollar that has been spent out there fifty have been spent on the St. Lawrence. More money has been appropriated in certain years for eastern ports than has been appropriated for the Fraser river from the start right up to the present time, and there are spots on the Fraser river that are not as deep now as they were twenty-five years ago. That is why I complain.

Mr. MARCIL: I should like to inquire if the government intends to do away with the grade crossing at Matapedia.

Mr. MANION: As I explained this morning, we have no details of any kind. This

matter will be in the hands of the board of railway commissioners, and with all due deference to the hon. gentleman, I suggest that he approach that body immediately. Certainly there will be nothing done by us but what will assist in the matter.

Mr. MARCIL: I thought the government was going to take the power to grant the amount necessary to do any of these things.

Mr. MANION: In some cases we may grant more than the forty per cent for either the railways or the municipalities if they are unable to pay their share.

Mr. MARCIL: Matapedia is a strategic point on the Canadian National Railways. As the minister knows, last winter the whole service between Halifax and Montreal was held up for three or four days through a flooding at this point, and I think the minister should do whatever he can to correct this difficulty.

Mr. MANION: I shall do all I can.

Item 3 of schedule agreed to.

Item 4—Quebec harbour improvements and maintenance, $1,250,000.

Mr. LAPOINTE: What is to be done with this $1,250,000?

Mr. DURANLEAU: There will be a little dredging in the St. Charles river basin and the outer Louise basin.

Mr. LAPOINTE: Could the minister give an estimate of the amount required for each item?

Mr. DURANLEAU: I understand the dredging will be around $200,000.

Mr. LAPOINTE: That is for the St. Charles river?

Mr. DURANLEAU: The St. Charles river and outer Louise basins. There are to be general repairs to wharves through the replacing of decayed timbers and apron paving on the north wall of the St. Charles river wharf and the inner and outer basin wharves. Borings are to be made on the St. Charles river basin and inner and outer basins and Pointe a Carcy. A new roadway is to be built to the bascule bridge at the crosswall. At pier No. 1 there is to be refacing of the concrete on the east side. At grain elevator No. 2 an office is to be built for the elevator superintendent and staff. The harbour roadways are to be repaved and the water service is to be extended to berth No. 14 and Pointe a Carcy. A portable pump is to be supplied to increase the pressure for the delivery of water to ships. Improvements are to be made to the tracks of the harbour railway while twelve new floating fenders are to be built. At Pointe a Carcy the sections of the old quay wall are to be refaced. At the cold storage plant there is to be insulation of the fourth floor in the main warehouse and additional piping supplied. A roadway is to be built approaching the terminal while there is to be a diversion of the road to Gilmour's Hill. Workshops are to be constructed on the King's wharf and some resurfacing work to be done at the Wolfe's Cove terminals.

Mr. LAPOINTE: Do I understand that the cost of the dredging will be $200,000 and the rest of the amount will be used for construction work?

Mr. DURANLEAU: Construction and repairs.

Mr. LAPOINTE: Will this work be done under the supervision of the harbour commission or under the supervision of my hon friend's department?

Mr. DURANLEAU: That matter has not been decided by the government, but I suppose it will be done by the harbour commission as agents of the Minister of Marine.

Mr. LAPOINTE: I want to be pleasant with my hon. friend to-day because he did not like me yesterday even with my smile. My hon. friend quoted an order in council yesterday, and in connection with the work now being done in Quebec, totalling $354,000, it was stated that the tenders which were first received in response to the invitation of the department were not considered satisfactory. Would the minister give a list of the tenders which were sent in, the amount of each and the reason why they were not considered satisfactory?

Mr. DURANLEAU: Does not the order in council state that the tenders were considered as being too high?

Mr. LAPOINTE: No, were not satisfactory.

Mr. DURANLEAU: I think the main reason for rejecting these tenders was that they were too high. We asked for new tenders from about the same firms. There may have been some slight change in the plans and specifications in the meantime.

Mr. LAPOINTE: I should like to have this information for the purpose of being able to defend the minister, because some of his own friends in the city of Quebec are complaining. They claim the contract was not awarded to

a certain firm because of influences which were at work to bring about the awarding of this contract to another firm which was not the lowest tenderer. If my hon. friend cannot give me this information I will not be able to defend him.

Mr. DURANLEAU: I can tell my hon. friend that there is nothing of the kind.

Mr. LAPOINTE: Is it not true that some time passed before the matter was adjusted and there were many recriminations on the part of at least one firm?

Mr. DURANLEAU: Yes, on the part of one firm which had not been asked to tender.

Mr. GAGNON: May I say to the hon. gentleman that the firm which complained is not a Conservative firm, as he says. The gentleman in question is in close partnership with Mr. Louis Letourneau, who is an influential friend of the hon. member for Quebec East (Mr. Lapointe) and the one who passed telegrams on election days in the past.

Mr. LAPOINTE: I did not know that Mr. Letourneau had anything to do with any tender. As far as the last remark of my hon. friend is concerned, it can go with what he said about the acting deputy minister of Marine this morning. It seems to be a habit of his to attack people outside of the house. The firm I am referring to is composed of two good Conservatives and my hon. friend knows that.

Item 4 of schedule agreed to.

Item 5—Canals, repairs and improvements, $750,000.

Mr. MACKENZIE KING: What canals are to be improved?

Mr. MANION: Last evening some hon. members on the other side asked for information and I was ready to give it, but we were not given the chance to do so. I have a list given to me by my officers some weeks, perhaps some months ago, before the estimates were made up, of estimates on the canals in addition to what we already have, amounting to nearly $3,000,000, or about four times as much for various improvements and repairs on the canals as the figure in this item amounts to. This is part of those various estimates, those that we figure we could arrange for. For example there are some repairs on the Murray canal, on the Ontario-St. Lawrence canals, at Cornwall, St. Peter's canal, Williamsburg canal. Then the Prescott elevator and the Port Colborne elevator are taken into account as part of the canal system. After the Prescott elevator was built, the workshop connected with it sank eight or nine inches and has to be put right. There is an estimate of $170,000 for that. I may say quite frankly that I had this in the estimates, but it was cut out of them because we were to a certain extent at any rate endeavouring to keep them as low as possible. However in the interests of relieving unemployment, that is one of the matters I would like to go on with. In Quebec there is work in connection with the Carillon and Grenville canal, Chambly canal, Hungry Bay dyke canal, Lachine canal, Ste. Anne's lock, St. Ours lock. Then there is the Rideau canal, the Sault Ste. Marie canal, the Trent canal, the Welland canal and the Welland ship canal. I have named them, but they take in practically all the canals. After the Welland ship canal had been completed, slides took place. That is, while the channel is dug out to a certain slant, it is not sufficient to keep it from sliding in, and when slides occur, it has to be levelled up. In brief, that is the answer to my right hon. friend's question.

Mr. ELLIOTT: Can the minister give no more definite statement as to how this amount of $750,000 is to be allocated than what he has just given?

Mr. MANION: Yes, I can give a good deal, but I am watching the clock rather anxiously and I do not wish to delay the bill. Let me give an example. We are counting on doing the work not absolutely but approximately as this is given. As regards the Murray canal, the estimate of my engineers is $3,750. Others are as follows:

Ontario-St. Lawrence canals	$ 31,000
Prescott elevator	170,000
Quebec canals (about)	147,000
Rideau canal	20,000
St. Peter's canal	8,000
Sault Ste. Marie canal	1,900
Trent canal	30,000
Welland canals	300,000

That last is a rough estimate, approximately, for the slides which I have mentioned.

There is also one other item that may come in under canals although I am not sure that it does, and that is the question of a freight shed at Churchill. It may sound strange to bring that under canals, but according to the method of setting forth the estimates followed by my department for years, the work at Churchill has been taken in under "canals, improvements and repairs." Some claim that there is need of a shed at Churchill amounting to some $75,000. Whether we will erect

this or not, I do not know; it depends to a certain extent on whether there is a demand or a great prospect of a demand for traffic at Churchill when the season is about to open.

Mr. DURANLEAU: As to works in the city of Quebec proper, I would like to cite another item which is mentioned without any estimate. It may be, if some arrangements can be made with the city of Quebec, we shall make a start on the canalization of the St. Charles river.

Mr. LAPOINTE: Will another amount be voted?

Mr. DURANLEAU: No; it will be included in this amount.

Mr. LAPOINTE: But that would be a tremendously big item.

Mr. DURANLEAU: A start only would be made.

Mr. LAPOINTE: But some of the work mentioned by my hon. friend in his program would have to disappear.

Mr. DURANLEAU: Yes, perhaps, but I may say that works I have mentioned will not absorb the entire estimate before the house, so it may be that the other question may be taken up in order to help that canalization.

Mr. LAPOINTE: But the minister cannot point out which part of the program would disappear if this new item is taken up.

Mr. DURANLEAU: I hope all the items I have mentioned will be undertaken.

Mr. LAPOINTE: The minister has a program amounting to $1,250,000. If he starts with the scheme he has just mentioned, namely, the canalization of the St. Charles river, which is a tremendously big undertaking, surely a great deal of his program would have to disappear unless another amount is voted by parliament.

Item 5 agreed to.

Item 6—Western conservation works, $500,000.

Mr. McPHEE: Can we have a detailed explanation of this?

Mr. WEIR (Melfort): This has to do with the larger projects, that is dams and works in connection with them. It has to do with larger projects than those that were included under the rehabilitation bill. Information has been received with reference to the different projects that come under this heading and will be reported upon by the advisory committee as soon as it meets in western Canada. I hope this will be next week.

Mr. McPHEE: Surely the minister has something more definite than that. That is a very general statement in connection with an item of $500,000.

Mr. WEIR (Melfort): Different applications have been received and projects submitted. For example in the southern part of Alberta we have the Milk river watershed, the Cypress hills watershed, and the scheme in the vicinity of Drumheller. In Saskatchewan there is one scheme for the Frenchman's river out from Regina. The situation at Estevan is being investigated and there is one scheme in the southern part of Manitoba. But a final decision on these projects will not be made until the advisory committee meets and this information is available to put before them.

Mr. MOTHERWELL: I am sorry I could not hear the minister's explanation about item number 6, western Conservative works—no, conservation works I mean, but probably they mean the same thing. Is it the Conservative interest that this is intended to censerve, or is it the water or what is it? However I will read my hon. friend's answer in Hansard and it will help me out of my dilemma in interpreting the whole undertaking.

Mr. McPHEE: What portion is allotted to Saskatchewan, what to Alberta and what to Manitoba?

Mr. WEIR (Melfort): That depends upon the advice of the advisory committee.

Mr. McPHEE: Who has charge of the distribution of the money?

Mr. WEIR (Melfort): The Department of Agriculture, under authority of order in council.

Mr. CAMPBELL: Under the legislation passed last week?

Mr. WEIR (Melfort): Yes, but for larger projects than those that are set out in the rehabilitation bill.

Mr. CAMPBELL: I did not hear the minister's answer.

Mr. WEIR (Melfort): As I stated before, they are for larger projects than those contemplated under the rehabilitation bill.

Mr. MARCIL: Does it consist in damming the rivers to conserve the water, is that the idea?

Mr. McPHEE: Surely we should have some more definite statement from the minister. We are placing at his disposal half a million

dollars, and an election is approaching. We need to know exactly what is contemplated by the government. Surely the minister has some data before him.

Mr. WEIR (Melfort): I have given the data that I feel is necessary on this project. As far as the election is concerned, his worry about that seems very prominent in his mind—

Mr. McPHEE: Yes, knowing the hon. gentleman as I do.

Mr. WEIR (Melfort): I can set his mind at rest on that. The advisory committee in connection with this work will consist of a representative from each of the railroads, from the Canadian Bankers' Association, the Mortgage Companies' Association, from each of the three provincial governments, also an outstanding grain farmer and a rancher from Alberta, the same from Saskatchewan, and a grain farmer from Manitoba. It is on their recommendation that this money will be allocated to works that are considered the most valuable.

Mr. CAMPBELL: Is it felt that the $750,000 that was granted under last year's act is not enough?

Mr. WEIR (Melfort): This is for larger and more difficult engineering projects.

Mr. DONNELLY: I hope this will be dealt with a little differently from the $500,000 sent to the Saskatchewan government during the last election. There was $500,000 sent for road work, and I know people who worked on that who had $5,000 or $6,000 in the bank. The father was supposed to be loading a couple of carloads of wheat while at the same time the boys were working on the roads for relief and others who wanted relief could not get work. There was road work going on all over and as soon as the election was over it was stopped. There was even some difficulty after the election in getting work paid for. I hope this relief is not going to be used in that way.

Under the public works program of last year we were supposed to get $675,000 as our part. At that time we were not receiving a sufficient share, as in proportion to the population of Saskatchewan we should have had in the neighbourhood of $4,000,000. I protested then and I protest now. In the same way, in this program something like $17,000,000 is to be spent, the province of Saskatchewan in order to get its fair share should get about $1,750,000 of that. We have here this $225,000 and a part of this $500,000. I do not know what other work we are supposed to get; I assume Saskatchewan will get some of the other. But I hope the minister sees that the province of Saskatchewan gets its just share with regard to this public works program.

Item agreed to.

Item 7—Tunnel at western entrance, Toronto harbour, $1,000,000.

Mr. GRAY: At the risk of taking my life in my hands for questioning a vote to the city of Toronto I rise to voice some criticism of this vote, not simply because it is to the city of Toronto, for when one finds there is an appropriation of some $3,500,000 for Montreal and $1,250,000 for Quebec and other large cities I am satisfied that Toronto should have a vote in the estimates. Before expressing the criticism I have in mind I would like to ask the Minister of Public Works one or two questions regarding this item. I suspect that this tunnel starts from the riding of the hon. member for Toronto-Scarborough (Mr. Harris) but I would like to know what points the tunnel connects.

Mr. HARRIS: If I may interject, as the hon. gentleman mentioned the member for Toronto-Scarborough, let me say that this particular tunnel takes the place of a bridge which was in the original contract with the dominion government, the Toronto harbour commissioners and the city of Toronto, known as the 1913 contract which established the Toronto harbour. The tunnel is to start from the foot of Bathurst street, connecting with the island under the western gap, and is many miles from Scarborough. Nevertheless I am supporting it. But it is at the farther end of the city. The bridge might have cost about $900,000 in its day and generation, but a bridge in a very busy port like that of Toronto would have to be raised and lowered some seven thousand times during the year, because the port of Toronto now ranks as one of the greatest ports in the dominion, Montreal being first, then Vancouver, Halifax and St. John, and Toronto ranks with those other great ports, a much greater port as far as tonnage is concerned—

Mr. GRAY: I asked a question of the minister.

Mr. HARRIS: —than the port of the hon. member for Quebec East (Mr. Lapointe). The tunnel is needed to give access to Toronto island, fulfilling that particular obligation, and more particularly to give access to the new airport which is being established in Toronto, which in the course of the next generation will be the greatest airport on the North

American continent. The plans for this airport are completed, they are approved by airport authorities in New York and elsewhere, and they say that we will have the greatest airport anywhere on the North American continent. Croydon airport, at which it was my pleasure to depart and land, will not compare with this airport which is being established in the city of Toronto. It will be just one mile from postal facilities, from steamship and railway facilities, it will be the port with which the United States air lines to and from Buffalo will connect. It will also be the focal point for jitney service as far as air is concerned from the city of Toronto to our own fine airways system which is going to cross this dominion. But a feature is that the ownership of the airport is now vested in the Toronto harbour commission, and they in conjunction with the city of Toronto are ready to go ahead and develop the airport. They already have an appropriation of $100,000 for that, of which they have expended some $40,000 on aprons, and they are starting to establish a seaplane base at the other terminus of this tunnel. Without taking up any more time let me just say to you, Mr. Chairman, to the Minister of Public Works and to the federal government, that the city of Toronto was promised this access in the 1913 contract. We are asking for the amount of money that it would cost to build a bridge—as a matter of fact when you take into account the maintenance of the bridge and capitalize, maintenance of the bridge would cost a great deal more than this tunnel. As far as the work is concerned at least sixty per cent of the cost will be labour, and when you take into account the materials that go into it, it is safe to say that in all eighty per cent will be labour. In conclusion, in answer to my hon. friend's suggestion, it has nothing to do with Scarborough.

Mr. GRAY: I always thought that a tunnel was something under the ground. My hon. friend in his speech has been up in the air for some time.

Mr. HARRIS: This tunnel happens to be under the water, the western gap.

Mr. GRAY: I take it that at least one of the termini is Toronto, and I would ask the Minister of Public Works where the other terminal point is.

Mr. STEWART (Leeds): Toronto. They are both in Toronto.

Mr. GRAY: What points does it connect? I understand there is an island or something.

Mr. STEWART (Leeds): The tunnel is under the western entrance to the Toronto harbour, it connects the mainland with what I think is known as Hanlan's island.

Mr. GRAY: How many permanent residents are there on Hanlan's island?

Mr. STEWART (Leeds): I do not know.

Mr. GRAY: Would there be one hundred in the winter time?

Mr. STEWART (Leeds): I do not know.

Mr. HARRIS: Half a million visitors in the summer months.

Mr. GRAY: Can the minister tell us whether this $1,000,000 will be sufficient to complete the tunnel, which according to the press will take two years to construct?

Mr. STEWART (Leeds): According to the plans and estimates prepared by the Toronto harbour commission this should complete the tunnel. I do not know how long it will take actually to carry out the work, but I believe it can be started in the very near future. At the present time there is an enormous traffic between the mainland and the island in the summer time by ferry; in the winter that easy communication, of course, is cut off. Possibly there is not a very large number of permanent residents, but the development of the airport together with other developments that are under way and under consideration I think fully justify the construction of this tunnel, particularly as we are under obligation to construct a bridge, the construction and maintenance of which would cost just about as much and would interfere with traffic in the harbour.

Mr. GRAY: I do not want to take up a great deal of time, but I think the inclusion of this item must have given even this government cause to reflect. I think probably the promoters were as greatly surprised to find it included as some hon. members of this house must have been. Surely this money could be spent to better advantage than for the construction of a tunnel which will connect not two parts of the mainland but the mainland and a simple pleasure resort where there are very few permanent residents. Surely in the great city of Toronto there must be many projects for which this money could be spent to better advantage. I need not enlarge on the beauties of the city of Toronto and the great harbour improvements that have been made in recent years. I know that from this very island the minister has mentioned the International League baseball

stadium has been removed and built at great cost on the mainland. I know of the great amusement park that has been developed in the west end of Toronto, known as Sunnyside. That project has been carried on at great expense, and that is one of the finest amusement parks on this continent. Now it is proposed to spend $1,000,000 to connect the mainland with this little island, this little summer resort. A few weeks ago the hon. member for East Toronto introduced a resolution in connection with housing, I think largely brought about by the recommendations of Lieutenant Governor Bruce and his committee with regard to housing conditions in the city of Toronto. From page 115 of that report I should like to read a few sentences:

> Our survey of Toronto housing conditions reveals that there are thousands of families living in houses which are insanitary, verminous, and grossly overcrowded.... Bad houses are not only a menace; they are active agents of destruction. The committee is satisfied from its investigations and inquiries that they destroy happiness, health and life. They destroy morality and family ties. They destroy the basis of society itself by their destruction of self-respect and their promotion of delinquency and crime.

Again I emphasize that I am not finding fault with the fact that this sum is to be spent in Toronto under this relief act, but I see the Minister of National Revenue in his seat and I ask him if, as compared with this project of building a tunnel from the mainland to the island, he does not think it would be better to make a start in Toronto with respect to slum clearance, as advocated by the lieutenant governor's committee.

Mr. POWER: Give them $2,000,000.

Mr. GRAY: Yes; I do not think there would be much objection to increasing that amount. I doubt if even the hon. member for Toronto-Scarborough, who is always interested in matters pertaining to Toronto, would attempt to justify this expenditure. One of the penalties we pay in democracies and parliaments such as this, perhaps, is that we are bound to find no fault with an hon. member who supports something that is in the interests of his own city, but surely if we are to spend money in times like these it must be for useful public works as well as for the relief of unemployment. We can do that by making a start in connection with slum clearance in the city of Toronto. According to the report and the evidence presented to the committee here, of which I had the honour and privilege of being a member, these conditions do exist in the city of Toronto. That being so, Mr. Chairman, would it not be better to let this vote stand or transfer it or change the wording so as to give the government authority to inaugurate a slum clearance program, instead of proceeding with the construction of this tunnel?

I shall conclude with this further word. In the press and elsewhere it has been stated that it only required some changes in the municipal act or the public health act in order to bring about cooperation in connection with slum clearance. According to a Canadian Press dispatch appearing in to-day's newspapers, under date of April 16, Mr. Heighington, provincial member for Toronto St. David, introduced an amendment to the Ontario Unemployment Relief Act, as follows:

> Subject to the approval of the lieutenant governor in council, any municipality may as a relief work measure undertake or participate in any scheme for abolition of slum areas or for housing in the municipality which may be inaugurated or aided by the government of Ontario or by the municipality itself and the provisions of this act shall apply to expenditures of the municipality for such purposes.

The provincial government have accepted that amendment offered by Mr. Heighington, who was a member of the committee formed by Lieutenant Governor Bruce. That does away with all the legal obstacles that might stand in the way of a program of slum clearance. I could speak at greater length on this matter, but I do not think it necessary; I think this committee as a whole believes that it would be to the better advantage of the city of Toronto if this amount of money were utilized for slum clearance instead of for the construction of this tunnel.

Mr. STEWART (Leeds): This vote is provided in satisfaction of an obligation entered into many years ago.

An hon. MEMBER: How many years?

Mr. STEWART (Leeds): In 1913. An order in council, which dealt with the development of the harbour of Toronto and other matters, is the foundation of the action now proposed. My hon. friend suggests that we might embark on a program of slum clearance. I think he knows there are many difficulties in the way, if he was a member of that housing committee which made a report. The dominion government cannot walk into the city of Toronto and undertake to clean up the slums. That is something that must be done by cooperation between the provincial government and the municipal authorities. I know careful consideration will be given the recommendations made by the committee which has had this matter under consideration, and I

would hope that my hon. friend would be patient enough to wait and see whether some developments will not take place as a result of those recommendations and the possible legislation that may be founded on it. This vote cannot be switched, as the hon. member has suggested.

Mr. ELLIOTT: I should like to ask the minister if he happens to have with him the agreement to which he refers and the departmental references to the different other things that have been done by way of implementing that agreement, together with the amount of money that has been expended.

Mr. STEWART (Leeds): I have not a copy of the order in council, which was P.C. 1426 of June 10, 1913. Since that time part of the scheme has been carried out.

Mr. ELLIOTT: I have some knowledge of the agreement to which my hon. friend refers, and I know that it will be found among the departmental records together with an account of the different interviews that have taken place since that time between representatives of the city and the department. I was wondering if the minister would have before him details as to the amount which has been expended by the dominion at the request of the city as a means of implementing the agreement which was never completed between the department and the city of Toronto. I do not think there can be any doubt about the value of the harbour in the city of Toronto, but when I look at these immense sums of money I begin to wonder, and I should think the Minister of Finance is beginning to wonder, where the money for all these tremendous expenditures will come from, especially in view of the huge debt we now face.

Mr. DUFF: Borrow it.

Mr. ELLIOTT: It will have to be borrowed, but I am beginning to doubt whether it will ever be repaid. That is a problem which is facing the people of this country and I am wondering how the taxpayers will view the expenditure of millions of dollars for purposes such as have been explained by the hon. member for Toronto-Scarborough. I wonder if the minister would state the departmental reason for including the expenditure in the present measure. Has it been recommended by departmental officials as something necessary in the present situation, in view of the financial circumstances of the country? Is it part of an arrangement which was originally contemplated on June 10, 1913? If in the years we have had surpluses since that time—and twenty-two years have passed—it has not been carried out, does the minister think this is the appropriate time to proceed to carry out a project of that kind, even if there were some obligation which had not been fulfilled by the department? What reason does the minister give for this vote at the present time? Has he any records before him to show what has been done since 1913 by way of carrying out the obligations entered into but not completed?

Mr. STEWART (Leeds): Replying first to the last question, I would say that I have no memorandum of the expenditures over the intervening years. I shall be pleased to get that information and furnish it to the hon. member. I am afraid, however, I must take the hon. member back to the consideration of the main purpose behind the bill, the principle of which I thought had been accepted unanimously by this house and by practically all the people of Canada, namely that for the purpose of relieving unemployment it is desirable to undertake the prosecution and carrying out of public works rather than the expenditure of moneys for direct relief.

Mr. ELLIOTT: Of needed public works.

Mr. STEWART (Leeds): Of useful, needed public works and public services. Some suggestions have been made that unnecessary works, and works which are not self-liquidating or useful, should be undertaken. Certainly that accusation cannot be made concerning the works outlined in the bill. There is to be the development of an airport, a type of work which will furnish a very large volume of employment for a considerable period of time and is calculated to relieve unemployment. Am I to understand that because of some financial difficulties he sees in the way my hon. friend is condemning the expenditures under this bill? Does he say no money should be spent? Does he say the $18,000,000 mentioned in the bill to be expended on public works is too great an amount? On the other hand will he say it is too little? What substitute would he offer for the relief of unemployment? I repeat that the particular type of work now under consideration is the type calculated to relieve unemployment. It is useful and productive work and comes within that class which I think should meet with the approval of hon. members.

Mr. MATTHEWS: May I give the information for which the hon. member has asked? I believe he inquired what work had been done by the government of Can-

ada and the costs in connection with the Toronto harbour. As a former minister of public works he will recall that an agreement was made with the city of Toronto in 1913, and P.C. 1426 was passed. The works completed to date by the federal government are as follows—and I shall not go into details—

Mr. ELLIOTT: May I suggest that this is not a mere bagatelle; it is a large item. The committee cannot deal with it intelligently without first knowing the history. The hon. member for Toronto-Scarborough bases his right to have the amount voted upon an old agreement and what has taken place since that time.

Mr. MATTHEWS: In a few words I shall attempt to describe to the committee the main events. In 1912 the Toronto Harbour Commissioners presented to the dominion government their plans for waterfront improvements. At that time the federal government was requested to undertake the following works: The western breakwater from the Humber river to the western channel; an eastern sea wall from the eastern channel to Woodbine avenue; a ship channel, turning basin and marginal way walls in the eastern harbour terminal area; bascule bridges at the eastern and western channel entrances to Toronto harbour.

The recommendation was approved by P.C. 1426 dated June 10, 1913. The works to be performed by the city of Toronto were covered by an agreement dated December 14, 1914, and validated by the provincial legisture on April 8, 1915. The work to be done by the city covered the improvement of about 800 acres of park lands, the construction of a boulevard drive from the Humber river to Woodbine Avenue via Toronto island; a bascule bridge at Cherry street and works of a minor nature.

The work undertaken by the commissioners consisted of the reclamation of industrial and commercial sites from Bathurst street easterly, including the eastern harbour terminals with an area of over 1,000 acres, and the dockage development and reclamation on the inner harbour waterfront between Bathurst and Cherry streets. The works completed to date by the federal government are as follows: Breakwater; ship channel; turning basin and marginal way walls. The works yet to be undertaken by the federal government as provided by P.C. 1426 are as follows:

(1) Construction of bascule bridges at the western and eastern channel entrances to Toronto harbour.

[Mr. Matthews.]

(2) Construction of the eastern sea wall from the eastern channel to Woodbine avenue.

The harbour commissioners have completed the reclamation of over 80 per cent of the projected works and constructed the dock walls and slips from Bathurst street to Yonge street including the bulkhead wall from Yonge street easterly to Parliament street. They have also constructed a bridge over the ship channel and completed Fleet street as a crosstown artery from Bathurst street to Cherry street, and Keating and Commissioners streets from Cherry street easterly to Leslie street.

I shall not weary the committee with further details, other than to say that the expenditures by the parties to the agreement to date are as follows: The Toronto harbour commission has spent $28,600,000; the federal government $8,000,000; the city of Toronto, including their share of grade separation costs, $8,000,000. I do not wish to delay the committee, but I consider this work to be of very great importance. Out of an expenditure of over forty million dollars the dominion government has spent only $8,000,000 and the financial set-up therefore is favourable to the dominion government. At the present time it is necessary either to construct a bridge to connect the western part of the island with the mainland, or something else to take the place of the abandoned idea of the bascule bridge. The tunnel is very much cheaper than the bridge, and the city has undertaken to assume the cost of maintenance, including paving and ventilation, thereby reducing the cost to the federal government to approximately $1,000,000.

Mr. RALSTON: Why is it necessary at the present time?

Mr. MATTHEWS: Besides the question of unemployment you have in the western part of Toronto island probably the best site for an airplane and seaplane base that there is on the North American continent. This is the considered opinion of engineers, and some work has already been done by the city of Toronto.

Mr. RALSTON: We are restricting aviation.

Mr. MATTHEWS: But some time soon it will develop. I shall be glad to give any other information, Mr. Chairman, but as previously stated I do not wish to delay the committee.

Mr. ELLIOTT: Nor do I, Mr. Chairman, but I do think in connection with an item

of this kind we should be given what we have not been given up to the present time, some satisfactory reason why this government is making an appropriation of this kind. I am fairly familiar with what has taken place in regard to this harbour in the last number of years, and I want to say to my hon friend there are very many urgent projects demanding expenditure at the present time. We seemed to have difficulty in voting the first item of one million dollars for railway grade crossings to save the lives of the people of this country, a sum that I think was altogether inadequate for the purpose. Then there is item No. 7 for a tunnel at the western entrance of Toronto harbour. That is not a new matter. It has been under discussion, as my hon. friend very correctly said, since away back in 1913.

Mr. MATTHEWS: And in recent years.

Mr. SPENCE: Let us get on with the business.

Mr. ELLIOTT: If my hon. friend will possess his soul in patience for just a minute I will get through with what I have to say in the shortest possible space of time, but I intend to say it. I do not say that it was the worst argument that the Minister of Public Works ever made, but it was one of the worst, and I have heard him make some that I would not compliment him on. He made this suggestion in regard to my remarks: Was I, simply because I was asking for some explanation about this vote, objecting to the whole program? I submit that that is not a wise way to take up the time of the committee.

Mr. STEWART (Leeds): It was not in answer to my hon. friend's request for information at all. He launched out upon an inquiry where the money was to come from and how the taxpayers were to provide it, and it was in answer to that I spoke.

Mr. ELLIOTT: That does not help his argument a bit.

Mr. MACKENZIE (Vancouver): It makes it worse.

Mr. ELLIOTT: It could not make it any worse, but certainly it does not improve it, and what it needed was improvement if it was to have any weight. The minister says: Because you object to this and ask for an explanation in regard to it, I take it that you are opposed to this whole $18,000,000 program.

I will tell my hon. friend what I am opposed to. I am opposed to votes like this being introduced as this was introduced, when the members on this side could not get a copy of the bill until yesterday morning, and then on the word of one or two gentlemen that there was some understanding away back twenty-three years ago, which was never carried out during all the good times when money was plentiful—

Mr. STEWART (Leeds): It is not on the word of any hon. gentlemen. It is upon the records as shown by the order in council.

Mr. ELLIOTT: On behalf of my friend from Toronto-Scarborough I rather resent that statement, because I take it that when he made those remarks they were made on the word of an hon. gentleman, and that is what he told us. I am not going to delay the committee, but I think, Mr. Chairman, that this item ought to be cut out or stand until such time as the committee is given some satisfactory explanation in regard to it.

Mr. EULER: There is no doubt that the construction of this tunnel will be a great convenience for perhaps a comparatively small number of Toronto people who will use it, but it seems to me that in connection with all the items that are on this program we ought to observe two factors particularly: first, is the work necessary and useful having regard to the amount of money which is to be expended; secondly, and this is also important, will it give the maximum amount of work for the amount of money that is to be expended? I was reading at the moment an editorial from the Toronto Globe which touches on this very question of the tunnel. It is headed, Both Tunnel and Ferry, and reads in part as follows:

> In these days of obligatory economy in the expenditure of public funds, Toronto is providing for the rest of the country a flagrant example of how not to economize. With becoming modesty, Mayor Simpson claims he played a part in inducing the dominion government to vote $1,100,000 for the building of a tunnel between the city and the island; and but a few days ago he and council authorized the expenditure of $77,000 on a new island ferry boat. Either the tunnel or the boat is not needed.

My suggestion is this: Since Toronto has already appropriated the money and made a contract for the building of a ferry boat which will serve the purpose which this tunnel is intended to serve—

Mr. GEARY: You know better than that.

Mr. EULER: I do not know better than that, though perhaps sometimes I do know some things better than the Toronto Globe does. The Toronto Globe says that either

one or the other is unnecessary. Now if they have already voted for a ferry boat, and if that ferry boat is going to serve the purpose intended here so far as transportation is concerned, would it not be better for the balance of that $1,100,000 to be expended in the city of Toronto for other relief work which would provide the employment that this tunnel would give?

Mr. SPENCE: That argument was put up by the Toronto Globe for the purpose of defeating the purchase of the boat to Ward's island at a cost of $77,000. I hope hon. gentlemen will be fair with Toronto. We do not ask for much and we get but very little. There is no city in Canada which has developed so fast or which has spent money so freely as Toronto. I do not wish to take up the time of the committee but I hope hon. members will let this go through. This tunnel is an absolute necessity as it will provide access to a landing field and furnish a lot of employment.

Mr. MOTHERWELL: I do not pretend to know much about tunnels or the political underworld works generally. Some years ago I spent a weekend in a beautiful summer hotel on Hanlan's point and the impression I got was that there was a considerable distance between the mainland and Hanlan's point. I would not care to guess at the distance as I am not familiar with water distances but possibly the minister could tell us.

Mr. MATTHEWS: The areoplane landing field will be only a mile and a half from the centre of the city.

Mr. MOTHERWELL: I would have had made a guess of two miles.

Mr. MATTHEWS: That is not a mile and a half by water.

Mr. MOTHERWELL: I can speak from experience and observation in this connection, both federally and provincially. These estimates are generally about one-half of what is finally required and I do not think we should be asked to vote a million dollars to build a tunnel unless we know what it is for and how much it will really cost.

Mr. SPENCE: It will not cost any more than a million dollars.

Mr. MOTHERWELL: We should know whether it is to accommodate the people by means of a railway service, a street car service, a motor service, a bicycle service or a foot-path. I can remember when the former government came into power late in

[Mr. Euler.]

1921. We found a large number of these started and carried-over contracts and we had either to put them through or abandon them. Whatever party comes back to power after the elections will have this contract to take care of for an amount much larger than this estimate. I think the hon. member for North Waterloo (Mr. Euler) was quite correct when he said that this money should be spent on something more useful, something actually necessary and something which would provide the most employment.

Mr. CAMPBELL: Mr. Chairman—

Mr. MANION: There are six or seven hon. members up at the same time.

Mr. CAMPBELL: Is there not a tunnel at this spot at the present time?

Mr. STEWART (Leeds): No.

Mr. CAMPBELL: I understand there is a seven foot tunnel.

Mr. GEARY: There may be a tunnel for a water pipe.

Mr. STEWART (Leeds): I think there is a water pipe tunnel.

Mr. DUFF: Mr. Chairman—

Mr. MANION: It is obvious you are blocking it.

Mr. DUFF: Mr. Chairman, despite the remarks of the Minister of Railways (Mr. Manion) which he is not polite enough to get up on his feet to make, it seems to me that the expenditure of a million dollars is rather an important matter. I can remember when the Minister of Railways talked for half an hour on the expenditure of $10,000.

Mr. MANION: What was the item?

Mr. DUFF: The item was something in connection with the railways and my hon. friend talked for half an hour.

Mr. MANION: The hon. member is just depending on his memory.

Mr. DUFF: I am afraid the minister has no memory. He has had a lapse of memory while I have not; I can remember it quite well.

Mr. MANION: The hon. member's lapses are of a different kind.

Mr. DUFF: The minister has no lapses because he cannot have any. Let us get on. It is very undignified for a privy counsellor and a minister of the crown to sit in his seat

and interfere with a private member of this house. I resent it, just the same as the minister recently resented some words of the editor of the Winnipeg Free Press.

Mr. MANION: I will rise this time. The next time I want a lesson on dignity I will go to my hon. friend.

Mr. DUFF: I hope the minister does for I can teach him many things he does not know. It seems to me that the expenditure of a million dollars is rather important. What I cannot understand at the moment is why the federal government should spend this amount to connect one part of the city of Toronto with an island which belongs to the city. That is not a federal matter at all and this government has no right to vote a million dollars to connect one part of the city of Toronto with another part, whether it be an open field or an island. This island is just a playground and it has no federal significance whatever. I should like the Minister of National Revenue (Mr. Matthews) or the Minister of Public Works (Mr. Stewart) to tell me why this government should spend a million dollars for a purely civic purpose.

Mr. SPENCE: This is to fulfil an agreement entered into years ago. I was a member of the city council of Toronto in 1913 and I attended every meeting at which this matter was discussed. Surely hon. members would not want to get out of a deal which was made at that particular time, even if there was no unemployment. The difficulty was that the people of Toronto could not decide whether there should be a bridge or a tunnel, while others wanted nothing at all. The government was committed to two bridges and we are asking for only one tunnel. A bridge would cost at least $800,000 while a considerable amount would be needed to keep it up. The tunnel will cost only a million dollars and it will be there forever and will be maintained by the city. Surely hon. members will let this item through and not keep us here all night.

Mr. DUFF: It is not a matter of getting the item through, it is not a matter of what happened in 1913.

Mr. SPENCE: It is a fair proposition.

Mr. DUFF: I want to know what right the federal government has to ask the taxpayers of Canada to build a tunnel for the city of Toronto. This is a purely civic matter and as far as I have heard this afternoon it has nothing to do with the federal government. I should like to know what right the federal government has to spend a million dollars to build a tunnel from the mainland in Toronto to a little island ten feet or a hundred feet away.

Mr. MANION: It is for the same reason that we built the Montreal harbour bridge at a cost of $19,000,000 when the late government had said it was going to cost only $9,000,000.

Mr. CASGRAIN: The province of Quebec and the city of Montreal paid their share of that bridge.

Mr. DUFF: That is a silly answer.

Mr. MANION: If it is silly enough my hon. friend ought to appreciate it. I think it is obvious who is blocking this bill. The Liberal opposition must take full responsbility for this.

Mr. DUFF: We are not willing to take the responsibility of letting the Minister of Railways say that the situation in Toronto is the same as that which pertained in connection with the Montreal bridge. The Montreal bridge was to connect one part of the St. Lawrence river with another.

Some hon. MEMBERS: No, no.

An hon. MEMBER: That is wrong.

Mr. DUFF: I am answering the Minister of Railways. I do not intend to allow the minister to close this debate with any such remark as that.

Mr. RHODES: It is quite obvious that we cannot finish the debate on this measure in the few seconds remaining before the time for adjournment. Therefore. I move that the committee rise, report progress and ask leave to sit again.

Progress reported.

KING GEORGE V CANCER FUND

ANNOUNCEMENT OF PROPOSED VOTE OF $100,000 AS SPECIAL THANK OFFERING

Hon. E. N. RHODES (Minister of Finance): The acting Prime Minister (Sir George Perley) had to proceed to the Senate chamber. He has prepared a statement which he intended to make and he has asked me to read it in his stead. It is as follows:

A few days ago I referred to the King George V Cancer Fund and the appeal that is being made by Their Excellencies, the Governor General and Lady Bessborough for subscriptions to it.

In view of the great interest that has been taken throughout the dominion in the twenty-fifth anniversary of His Majesty's accession

to the throne and the desire of the citizens of this country to associate themselves with His Majesty in his deep concern for the well being of his subjects, particularly as this fund is, by the special desire of His Majesty himself, to be used to assist in the eradication of the dread disease of cancer in this country, the government has decided to recommend to parliament that the sum of $100,000 be voted as a special thank offering gift from the entire population of this country to the King George V Cancer Fund for Canada.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): I should like to say in regard to the announcement that has just been made, hon. members on this side are in entire sympathy with the action the government has taken in that regard.

UNEMPLOYMENT RELIEF

Hon. W. A. GORDON (Minister of Labour): If I may have the unanimous consent of the house to revert to motions, I wish to table the report of the dominion commissioner on unemployment relief. This is the last day under the act for tabling the report, Unfortunately, by reason of pressure of business in the printing bureau, these are only advance copies and some corrections will have to be made in them. In the course of the next three or four days final copies will be printed and I shall see that they are mailed to hon. members.

I also desire to table a number of orders in council pursuant to the Relief Act.

THE ROYAL ASSENT

A message was delivered by Major A. R. Thompson, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, His Honour, the deputy of His Excellency the Governor General, desires the immediate attendance of this honourable house in the chamber of the honourable the Senate.

Accordingly, the house went up to the Senate.

And having returned.

Mr. SPEAKER informed the house that the deputy of His Excellency the Governor General had been pleased to give in His Majesty's name the royal assent to the following bills:

An Act to amend The Farmers' Creditors Arrangement Act, 1934.

An Act to establish an Economic Council.

An Act to amend the Royal Canadian Mounted Police Act.

An Act to amend The Gold Export Act.

An Act to provide for the rehabilitation of drought and soil drifting areas in the Provinces of Manitoba, Saskatchewan and Alberta.

[Mr. Rhodes.]

An Act to provide for the deduction from compensation in the Public Service.

An Act to amend the Income War Tax Act (Special Tax).

An Act to amend the Canadian Farm Loan Act.

An Act respecting Radio Broadcasting.

An Act to amend The Copyright Amendment Act, 1931.

An Act respecting the Canadian National Railways and to authorize the provision of moneys to meet expenditures made and indebtedness incurred during the calendar year, 1935.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1936.

On motion of Mr. Rhodes the house adjourned at 6.15 until Monday, May 20, 1935, at 3 p.m., daylight saving time.

Monday, May 20, 1935

The house met at three o'clock.

GREETINGS TO PRIME MINISTER

FELICITATIONS UPON RETURN TO HOUSE AFTER ABSENCE DUE TO ILLNESS AND ATTENDANCE AT SILVER JUBILEE

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Mr. Speaker, with your permission and the permission of hon. members of the house I should like on behalf of all of us, before the afternoon's proceedings begin, to say to my right hon. friend the Prime Minister how glad we are to see him again in his accustomed seat.

Hon. MEMBERS: Hear, hear.

Mr. MACKENZIE KING: I am sure I need not say to my right hon. friend how deeply we all regretted the illness which rendered unavoidable his absence from this house for so many weeks, nor with what degree of real satisfaction we received from time to time reports of the progress he was making towards recovery, which recovery in deepest sincerity we hope has been very real, and we trust will prove to be complete. We were particularly pleased that my right hon. friend's recovery was such as to make it possible for him to visit England, and to be present to represent Canada at the ceremonies in connection with the silver jubilee of King George; also to take part in conversations which he had while there with the members of the British government and the prime ministers of other parts of the British empire. Possibly at his convenience my right hon. friend may wish to give to the house a word or two respecting the ceremonies, and also, if he is free to do so, with respect to the conversa-

tions he has had on matters of concern to us all. That, however, will be a matter for himself to decide and for the convenient moment. At present I just wish to repeat that, irrespective of party, as a united House of Commons, we welcome him back to the place which he has occupied during the past five years. I know hon. members on his own side hope, and we of the opposition join very sincerely in that hope, that he may find himself, regardless of what the fortunes of political warfare may be, sufficiently well and strong to be able to continue in the leadership of his party for many years to come.

Hon. MEMBERS: Hear, hear.

Mr. MACKENZIE KING: I should like to add just one further word; that is to say to my right hon. friend how much we all admired the manner in which his loyal and faithful colleague and lieutenant, the right hon. member for Argenteuil (Sir George Perley) conducted the proceedings of this house—

Hon. MEMBERS: Hear, hear.

Mr. MACKENZIE KING: —as acting Prime Minister during my right hon. friend's enforced absence. The right hon. member for Argenteuil has added one more laurel to the many he has earned in the course of a long public life for the self-effacing service he has been ready to render his party at all times and the conspicuous service he has given in times of need.

Hon. MEMBERS: Hear, hear.

Mr. ROBERT GARDINER (Acadia): Mr. Speaker, I am sure that on this occasion all hon. members of the house can forget their political differences in order to extend a very hearty welcome to the Prime Minister on the occasion of his resuming his duties as leader of this house. I concur very heartily in the sentiments so ably expressed by the right hon. leader of the opposition (Mr. Mackenzie King) not only in welcoming the Prime Minister back to his duties in the house, but also in that portion of his remarks expressing our appreciation of the manner in which the acting leader of the house conducted the business while the Prime Minister was away. Having that in mind, I trust that the Prime Minister will recognize that in the event of his not feeling as well as he might wish, he can safely leave the business of this house in the hands of the colleagues who surround him. May I express the hope that the Prime Minister's health will continue to improve and will soon be fully restored.

Right Hon. R. B. BENNETT (Prime Minister): Mr. Speaker, it is very difficult to express in words one's appreciation of the kindly sentiments voiced by the right hon. leader of the opposition (Mr. Mackenzie King) and the hon. leader of the third party (Mr. Gardiner). But I do appreciate their kindly expressions, and I thank them and thank this house from the bottom of my heart. Shakespeare said that:

> The evil that men do lives after them, the good is oft interred with their bones.

So let it be. Whether or not there is any thought of that in the mind of hon. gentlemen who spoke I know not! I said to my hon. friend the Minister of Justice (Mr. Guthrie) that there was another saying "de mortuis nil nisi bonum"; possibly that also was in the minds of some who are not in this chamber but perhaps within sound of the voices of those who are in the chamber!

But I should like to say how grateful I have been for, first of all, the prayers of many people. I do not refer to those formal expressions of sympathy or those formal appeals that are made to the Godhead, but to the letters I received from remote parts of the country, from the multitudinous poor, which make one believe after all that the great solid sentiment of this country is a sound sentiment and that the people have a proper appreciation of their relations to the problems of the country. Then to those who are members of this house, on both sides, may I express my very sincere and deep sense of obligation for the kind terms in which they have expressed their interest in my well being and welfare. The right hon. leader of the opposition (Mr. Mackenzie King) was particularly happy in the expressions of sympathy which he conveyed on behalf of himself and his party, and the same might be said of the party opposite and to the extreme right. Then the flowers, the telegrams and messages from various parts of the world made one think that after all it was not a bad thing to be ill if for a moment it afforded people an opportunity to speak well of one who is still living! But I value most the expressions of goodwill which have been made this afternoon with such apparent sincerity. I know that some —and this has been expressed in the printed page—have felt that there was no reason why one should be ill because one should not have worked so hard. Well, Mr. Speaker, I am sorry to say that during the last five years I have seen no opportunity to slacken or lessen the efforts I was compelled to make from day to day in the discharge of what I

conceived to be my duty to the country. That I overdid it is, of course, a matter that is known to most hon. members now; that I regret having overdone it is equally true, but if I had to do it over again I know of no way in which I might escape it, and I say that in all sincerity.

I am grateful for having had the opportunity to represent this country at the recent jubilee celebration, about which I shall make some further observations at another time. To the other matters referred to by the right hon. leader of the opposition, in connection with the discussions that took place in Great Britain between the prime ministers of the various overseas dominions and the Prime Minister and ministers of the motherland, I shall also refer later. It is sufficient for my purpose to say to this house this afternoon that the European situation is one of great difficulty, and at times it gives evidence of being very dangerous. But I am hopeful that the efforts which have been made during all these years by the government of the United Kingdom to secure, shall I say, a collective security pact and peace with disarmament, may prevail. Great Britain has disarmed to the point of insecurity; at this moment she finds herself in a position of very great difficulty. I think that is not too strong a statement to make in view of the knowledge we have all obtained from the press as well as from other sources. At this moment I shall not do more than say that I think it very desirable that I should at once make it clear that so far as this dominion is concerned no commitments were sought with respect to the matters to which reference has been made, nor were any given. I say that because it is desirable that there should be no false conceptions and no misstatements or misunderstandings abroad with respect to matters of such importance to us all. That the future is difficult to foresee goes without saying; that public men who have a firm and clear grasp of the situation are doing their utmost to preserve the world's peace is equally true, but that the task is difficult I do not for a moment deny.

A moment ago I was speaking of the health of the body politic. So far as my personal health is concerned, Mr. Speaker, I did consult the best opinions that I could secure, and the advice I have received is that if I were able to proceed with a certain amount of leisure and rest—I see one of my hon. friends who is a medical practitioner looking at me as though he knew what I was about to say, as he probably does—and avoid too much effort, in the fullness of time I might recover my wonted strength and health. I think I should say to this chamber that they urged me not to return at this time, but knowing as I did what were the conditions with respect to this house and the date of its adjournment I felt it my duty to do so, whatever might be the consequences. I may not be able to give to public business that measure of attention and that strength of purpose that sometimes has characterized my conduct—so, at least, I have heard—but I shall do my very best while I am here to make clear what my appreciation of the situation may be with respect to the legislation that will engage the attention of the house during the balance of the session.

There are many things that men forget; there are some they always remember. When I say to you, my fellow members of this house, this afternoon that I shall never forget this moment, I but state the simple truth.

[Mr. Bennett.]

PRIVATE BILLS

FIRST READING—SENATE BILLS

Bill No. 66 for the relief of Mary Frances Isobel Brown Gauthier.—Mr. Factor.

Bill No. 67 for the relief of Amy May Wells Gorman.—Mr. Bell (St. Antoine).

Bill No. 68 for the relief of Charles Michael McGuire.—Mr. White (Mount Royal).

QUESTIONS

(Questions answered orally are indicated by an asterisk).

HOME BANK TRUSTEE—PAYMENTS

Mr. MACKENZIE (Vancouver):

1. What was the amount paid to Mr. G. T. Clarkson, as trustee for the Home Bank?
2. What was the amount paid to I. E. Weldon, K.C., as assistant trustee for Home Bank?
3. What firm or firms of solicitors were employed in connection with Home Bank proceedings?
4. What amount or amounts were paid to such firm or firms of solicitors?
5. Is the said I. E. Weldon, K.C., or the said G. T. Clarkson, at the present time in receipt of any remuneration from any governmental sources?

Mr. CAHAN:

1, 2, 3 and 4. The liquidators of the Home Bank of Canada are appointees of the Supreme Court of Ontario. Their remuneration and accounts are within the jurisdiction of the court and must be passed and approved by the master. The Department of Finance has no detailed statement of payments to liquidators or solicitors employed in connection with liquidation proceedings.

5. No.

COAT-OF-ARMS ON MINISTER'S MOTOR CAR

Mr. POULIOT:

On February 7, 1933, was Canada's coat-of-arms placed on an automobile privately owned by one of the ministers?

2. If so, on which one and in virtue of what authority?

3. Is it still there?

4. If not, since when and why?

Mr. CAHAN:

1. No.

2, 3 and 4. Answered by No. 1.

GRAND CASCAPEDIA AND BONAVENTURE RIVERS

Mr. MARCIL:

Have the Grand Cascapedia and Bonaventure rivers, in Bonaventure county, been declared non-navigable streams, and if so, by whom and when?

Mr. STEWART (Leeds): Not by Department of Public Works.

TAX ON HAY

Mr. SEGUIN:

1. At what date did the government impose a tax on hay for export?

2. At what date was the said tax removed?

3. Following the removal of this tax was any provision made, at the same time, to exempt the hay merchants from securing a special permit from the department to export their hay to the United States?

Mr. WEIR (Melfort): So far as the Department of Agriculture is concerned:

1. No tax imposed.

2. Answered by No. 1.

3. Answered by No. 1.

ADULTERATION OF BUTTER

Mr. DUPUIS:

1. Does the federal Department of Agriculture employ inspectors to keep a check on butter makers and see to it that butter is not adulterated?

2. If so, what is the number of inspectors in each of Canada's large cities, from Halifax to Vancouver?

3. How many warrants were issued against butter makers charged with adulterating butter in each of the previously indicated cities during the years 1931, 1932, 1933, and 1934?

4. How many of such butter makers were convicted and fined for adulterating butter?

5. How many pounds of adulterated butter were seized in each of Canada's large cities during the years 1931, 1932, 1933, and 1934?

6. What ingredients did the analyst discover in the adulterated butter, and what is the method generally employed by butter makers in connection with the adulteration of butter?

Mr. WEIR (Melfort):

1. No.

2. Answered by No. 1.

3. Complaints laid against manufacturers:

	1931	1932	1933	1934
Quebec, Que.	15	3	2	3
Montreal, Que.. ..	11	9	6	3
Ottawa, Ont.	1	–	–	1
Toronto, Ont.. ..	1	1	1	1
London, Ont.. ..	–	2	–	–
Hamilton, Ont.. ..	–	–	–	1

4. Convictions secured against manufacturers:

	1931	1932	1933	1934
Quebec, Que.	15	3	2	3
Montreal, Que.. ..	6	9	6	3
Ottawa, Ont.	1	–	–	1
Toronto, Ont.. ..	1	1	1	1
London, Ont.. ..	–	2	–	–
Hamilton, Ont.. ..	–	–	–	1

5. Quantity of butter confiscated:

	1931	1932	1933	1934
	lbs.	lbs.	lbs.	lbs.
Montreal, Que...	1,455	2,128	64¾	32

6. Water, in excess of the legal maximum of sixteen per cent; salt in quantity sufficient to reduce the percentage of fat below the legal minimum of eighty per cent; foreign fat.

Adulteration of butter by manufacturers is almost exclusively done by churning the butter so as to contain more than the legal maximum of sixteen per cent water or by adding salt to the extent that the fat content of the butter is reduced below the legal minimum of eighty per cent.

Adulteration by the addition of fat other than that of milk, in so far as practised, is usually performed by mixing butter already manufactured with foreign fats.

NEPEAN TOWNSHIP, CARLETON MAIL DELIVERY

Mr. MARCIL:

1. Has the letter carrier delivery system been introduced in any part of the township of Nepean, Carleton county, during the past year?

2. If so, in what part of it?

3. Where does the letter carrier system now exist in this township?

4. Is it contemplated to extend the system in this township during the present year, and if so, in what part?

Mr. SAUVE:

1. Yes.

2. Richmond road area, Ottawa West and Westboro.

3. In addition to the area mentioned in 2, delivery is given to the Island Park driveway and to residences between the city limits and Island Park drive.

4. No decision has been reached.

TARIFF ITEM 1035

Mr. STEVENS:

1. Was tariff item 1035 stricken out of the customs tariff schedule "B" in the budget tariff amendments in June, 1934?

2. Have any rebates under tariff item 1035 been granted betwen June, 1934, and April 1, 1935?
3. If so, by what authority?

Mr. CAHAN (for Mr. Matthews):

1. Yes.
2. Yes. In respect only of goods imported in good faith prior to the tariff changes for the use mentioned.
3. Ruling from office of Auditor General on this particular item and opinion of Deputy Minister of Justice in respect to similar changes.

MR. ELIE BEAUREGARD—LEGAL FEES

Mr. LAFLECHE:

What amount has been paid by the government in legal fees to Mr. Elie Beauregard, solicitor of Montreal, between 1921 and 1930?

Mr. CAHAN: $28,321.73.

This upon a former occasion was question No. 7 asked by Mr. Lafleche, and through my mistake it was dropped. At the present time I should like to file it on Hansard.

QUESTIONS PASSED AS ORDERS FOR RETURNS

HIGH COMMISSIONER'S OFFICE

Mr. POULIOT:

1. Are there any departments whose officers come under the supervision of the High Commissioner in London?
2. If so, since when, what departments and who are those officers?

Mr. CAHAN: Return tabled herewith.

DOCTOR GORDON L. BELL

Mr. MULOCK:

1. Was Dr. Gordon L. Bell of Sioux Lookout, Ontario, employed by the government in any capacity?
2. If so, in what capacity, and for how long?
3. Is he a returned soldier?
4. Is he still in the employ of the government?
5. If not, why not?
6. If he is no longer employed by the government, who has been appointed in his place?
7. Is the new appointee a returned soldier?

Mr. CAHAN: Return tabled herewith.

POTATO INSPECTION—NEW BRUNSWICK

Mr. VENIOT:

1. What amount was received from inspection of potatoes in the province of New Brunswick from September, 1934, to date?
2. Who paid this inspection fee and how much was paid by each shipper, giving the number of cars on which each shipper paid?
3. Are there any inspection fees reported as unpaid?

Mr. WEIR (Melfort): Return tabled herewith.

[Mr. Stevens.]

PAUL COMTOIS

Mr. ROBERGE:

1. Is Paul Comtois, former candidate in the county of Yamaska, in the employ of the government?
2. If so (a) since what date; (b) in what capacity; (c) is he permanently or temporarily employed; (d) what salary does he receive; (e) does he still dispense political patronage?

Mr. CAHAN: Return tabled herewith.

PRINTING OF VOTERS' LISTS

Mr. McPHEE:

1. What is the total cost of installation of new machinery in the printing bureau in connection with the printing of the voters' lists under the Franchise Act?
2. From whom was said machinery purchased?
3. What was the price paid for same?
4. Where was said machinery manufactured?
5. What is the total cost to date, of the operations of the Franchise Act, including the cost of installing said machinery?

Mr. CAHAN: Return tabled herewith.

ST. PAUL DE L'ILE-AUX-NOIX, QUE.—WHARF

Mr. RHEAUME:

1. Were repairs made at the wharf at St. Paul de l'Ile-aux-Noix during 1934 done by day labour?
2. Who was the foreman of works and what salary did he receive?
3. Were tenders called for in connection with the purchase of materials?
4. If so, what are the names of the tenderers?
5. From whom was the cement, stone, sand, and other materials purchased, and what prices were paid for such materials, also what quantity was purchased from the respective parties?
6. What disposal was made of the lumber from the demolished wharf, was it sold or given away, and to whom?

CHAMBLY CANAL—DAY LABOUR

Mr. RHEAUME:

1. Were the works done at the locks on the Chambly canal at Saint-John's during the years 1933-34 by day labour?
2. If so, what are the names and addresses of the persons employed on such works?
3. Were the materials used in connection with such works purchased on a tender basis?
4. If so, what are the names of the tenderers and the prices of stone, cement, sand, and lumber?

Mr. RHEAUME:

1. Were the works on the Chambly canal at Saint-John's during the years 1930, 1931, 1932, 1933, and 1934, done by day labour?
2. What are the names and addresses of the employees?
3. Were the materials purchased on a tender basis?
4. If so, what are the names of the tenderers and the prices of stone, cement, sand, and lumber?

W. T. HAYDEN, ESQ., K.C.

Mr. BUTCHER:

1. What amounts have been paid to W. T. Hayden, Esq., K.C., New Glasgow, Nova Scotia, out of the consolidated fund since August 1, 1930, and for what services?
2. Is there any arrangement whereby W. T. Hayden, K.C., New Glasgow, is employed or is to have employment in connection with legal work for the Department of National Revenue, and what are the terms of such arrangement?
3. Is there any arrangement whereby W. T. Hayden, K.C., New Glasgow, is employed or is to have employment in connection with the administration of the Farmers' Creditors Arrangement Act, and what are the terms of such arrangement?
4. Is there any arrangement whereby W. T. Hayden, K.C., New Glasgow, is employed or is to have employment in connection with the Dominion Franchise Act or the work of revision thereunder, and what are the terms of such arrangement?
5. Is there any arrangement whereby W. T. Hayden, K.C., New Glasgow, is employed or is to have employment in connection with the Canadian Farm Loan Board, and what are the terms of such arrangement?
6. Are there any other cases in which W. T. Hayden, K.C., is acting or authorized to act for any department of the government, or any board, commission or other body acting under government authority, and what are the terms of the arrangement in each case?

Mr. CAHAN: Return tabled herewith.

JEAN J. PENVERNE

Mr. BEAUBIEN:

1. Has Jean J. Penverne, advocate, of Montreal, been employed by the government or any department or departments of the government in any capacity since September 1, 1930?
2. If so, in what capacity, in what cases, law suits or matters, and what amount or amounts was he paid, by each department for his services to date?

Mr. CAHAN: Return tabled herewith.

BOW RIVER PROTECTION WORKS

Mr. GARLAND (Bow River):

Regarding protection works on the Bow river,—
1. Was the contract for the creosoting of the piles and timber let by tender?
2. What firms competed and what was the amount of tender in each case?
3. What were the wages paid to labourers on the said protection work?
4. What is the average number of men employed on this work?
5. What percentage of the total amount expended will be used for costs other than labour?

Mr. STEWART (Leeds): Return tabled herewith.

GASPÉ PENINSULA REPRESENTATIONS

Mr. MARCIL:

Has the Prime Minister or any member of the administration received the following resolution adopted by the county council of the county of Bonaventure at its last meeting, and if so, what answer has been given, if any?

"That representatives of your government, together with the members of the county, the mayors of each municipality, representatives of the brotherhood connected with all railway operations, and leading business men of the district, do meet at New Carlisle, at an early and convenient date, to discuss matters of vital interest to all for the improvement of general conditions in the Gaspé peninsula, relating to lumbering, fishing, agriculture, cheaper transportation, and better marketing facilities for our natural products. And further resolved that the employers of labour covering all lines, be solicited to give preference to men of this district as required."

Mr. CAHAN: Return tabled herewith.

COMPANIES BRANCH REVENUES

Mr. RINFRET:

1. What were the revenues of the companies branch, Department of the Secretary of State, for the fiscal years ending March 31, 1928, 1929, and 1930?
2. What were the revenues of such companies branch for the fiscal years ending March 31, 1933, 1934, and 1935?
3. What is the number of such companies with shares of no par value incorporated during the course of the above fiscal years?
4. What is the proportion in numbers and in amount of capital stock value of companies with shares of no par value compared with the total number of companies incorporated?

Mr. CAHAN: Return tabled herewith.

RADIO BROADCASTING

Mr. McKENZIE (Assiniboia):

1. How many licensed commercial radio broadcasting stations are there in Canada?
2. How many of these stations are the physical property of the radio commission, and how many are independent, that is to say, under private ownership?
3. How many exclusive wave lengths (frequencies) have been allotted to Canada to serve all these stations?
4. How many wave lengths (frequencies) shared with the United States are at the disposal of all these Canadian stations?
5. How many exclusive wave lengths (frequencies) have the United States, that is to say, wave lengths (frequencies), that Canada does not share?
6. (a) What Canadian stations enjoy an exclusive wave length, or frequency?
(b) Of these, which stations belong to the commission and which are independent?
(c) What is the power of each of these stations?
7. Has the radio commission since its inception increased the power of certain of these stations?
8. What are the stations whose power has been increased, what is their wave length (frequencies) and what is the power as of April 1, 1935?
9. What private stations have had their power increased, since the establishment of the radio commission? What was their former power, and what is their power as of April 1, 1935?

10. What private stations have in the last eighteen months requested an increase of power and obtained it? What are their wave lengths (frequencies) and their power as of April 1, 1935?

11. Under what arrangement between Canada and the United States are wave lengths (frequencies) shared betwen the two countries?

Who negotiated this arrangement, and on what date was it completed?

On what date will it be revised?

12. What is the cost to the radio commission of each of the stations established in Canada?

(a) For transmitting equipment;

(b) for studios?

Specify in case of purchase the price and terms. If rented, specify the terms and the duration of the operation of each of these stations in regard to;

(a) Operators and technicians;

(b) Directors or managers;

(c) Administration staff;

(d) Artists.

13. What are the stations at which the commission owns only the transmitter?

What has been the cost of installation of the said transmitter, and to whom have the sums been paid? In places where the commission owns or uses studios, does it own the fixtures and equipment? If not, with whom have the leases been signed? For how long, and on what terms?

14. In the past year what proportion of the programs presented by the commission over its network or through individual stations has come from concert halls, dance halls, dining rooms, hotels, clubs, cabarets, theatres, etc., and not from commission studios?

(a) Dance music;

(b) Concert music;

(c) Opera or symphony?

15. Does the radio broadcasting commission exercise control over facilities or transmission lines between independent stations in Canada?

16. There are in Canada three different transmission companies, The Bell Telephone, The Canadian Pacific and the Canadian National. In the case of independent stations, business firms, publicity agencies who desire transmission lines in order to send their programs from one station to another in Canada, have they the privilege of choosing from among the three transmission companies the lines which they prefer? If not, why not?

17. Have the rates for the leasing of transmission lines been increased or decreased in the past eighten months?

(a) In what proportions;

(b) Why?

18. Is there an understanding between the three companies and the commission, whereby the three companies charge the same rates?

If so, has this combine been approved of by the Minister of Railways and Canals?

19. Does the Canadian radio commission receive any commission or remuneration directly or indirectly from transmission companies or publicity agencies or independent stations or business firms on the rental of lines for the transmission of radio programs?

If so, why, and by virtue of what agreement with the above mentioned companies or publicity agencies or firms?

[Mr. R. McKenzie.]

20. Have any independent stations asked leave of the commission to broadcast programs from the National Broadcasting Company or the Columbia Broadcasting System or similar organizations in the United States?

What are those stations, and on what date was the request made?

Has permission been granted or refused?

Why?

MOTIONS FOR PAPERS

UNIVERSITY OF MONTREAL

Mr. DUPUIS:

For a copy of all correspondence, letters, telegrams or other documents, exchanged from 1931 to date between the hon. member for Berthier-Maskinongé (Mr. Barrette) or any other persons, and the Right Hon. the Prime Minister or any member of his cabinet, respecting a grant to be made by the federal government for the completion of the university of Montreal.

GRAND RUISSEAU—DECHARGE NOIRE WATER COURSES

Mr. DUPUIS:

For a copy of all correspondence, telegrams or other documents, exchanged between the federal government and any individual respecting drainage works on Grand Ruisseau water course and Decharge Noire water course in the county of Vercheres, also respecting Laprade and Des Aulnages water courses in the counties of Richelieu and Vercheres.

CUSTOMS TARIFF REBATES—ITEM 1035

Mr. STEVENS moved:

For a list of all rebates granted under tariff item 1035, schedule "B" of the customs tariff, during the period June, 1934, to April 1, 1935, such list to show,—

1. (a) The names of the firms applying and the names of the persons making application on behalf of the firms.

(b) The amount claimed for rebate in the original application.

(c) The amount actually rebated.

(d) The date of the importation of the goods for which rebate is sought.

2. A copy of the minute of the treasury board or order in council, as the case may be, authorizing the refund in each case described in the preceding paragraph.

Mr. BENNETT: Mr. Speaker, this motion will have to stand for the moment. The Minister of Finance and the Minister of National Revenue are not present. In addition, I have only seen the motion this morning, but my information is that it has not been the practice of any government at any time to produce in this chamber the names of those to whom rebates have been granted under the Customs Act. That may or may not be accurate, but it can be checked up.

Motion stands.

VICTORIA DAY SITTING

On the orders of the day:

Hon. W. D. EULER (North Waterloo): Mr. Speaker, I should like to ask the government whether it is intended that the house shall sit on the twenty-fourth of May.

Right Hon. R. B. BENNETT(Prime Minister): Mr. Speaker, as far as I know the matter has not been considered, but I shall advise the house to-morrow.

DUTIES ON JAPANESE GOODS

On the orders of the day:

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): Mr. Speaker, I wish to bring to the attention of the Minister of Trade and Commerce a cable which I received this morning from the Japan-Canada Society. It is signed by President Baron Saskatani, and Vice President Tamura, and is worded as follows:

> Canadian government imposing prohibitive duties on Japanese goods. Japanese government going to counteract to safeguard their interests. We hope your sincere endeavour for Canadian government to remedy situation.

I may say to the minister that I would not have read the telegram without previous notice to him, had it not been that I have seen by the press that the matter referred to has been under consideration by the government. My purpose is to ask the minister if he can give the house any information with respect to the matter.

Right Hon. R. B. BENNETT (Prime Minister): I think, Mr. Speaker, perhaps it would be better if I were to make a statement with respect to this matter because it has engaged my attention to some extent during my absence.

We have in this country a law respecting the dumping of merchandise, and we have also a law which has been on the statute books for many years with respect to depreciated currencies. I had no idea that this question would be asked to-day, but my memory is that the provision with respect to depreciated currencies was passed on the initiative of Mr. Fielding, the then Minister of Finance. These provisions of our law apply to all countries that have depreciated currencies.

It is well known, of course, that for some time the currency of Japan has been depreciated and that the yen has not been worth anything like its normal figure. The result was that automatically the provisions of our statute applied.

There has been, it is alleged, an increase in the cost of living in Japan during the last few months with the result that the benefits that accrued under their depreciated currency did not accrue to the same extent to exporters from that empire to Canada. The matter has received the very careful consideration of an inter-departmental committee that was set up some weeks ago and they have been endeavouring to devise ways and means whereby there might be such modifications of the provisions of the statute arising out of changed costs of living conditions as would be applicable to all countries, based upon the index of the cost of living as supplied by the League of Nations. The matter is still under advisement and my information this morning was that communcations had been sent to the government of Japan to ascertain the extent to which the changed economic conditions had increased the cost of living index during the last few weeks, and to ascertain also what the report of the League of Nations' economic bureau was upon that point.

The matter is one of very great importance not only to the Dominion of Canada with respect to its relations with Japan but with respect to its relations with other countries whose currencies may be depreciated, for it is perfectly clear that if a currency is depreciated fifty per cent, then of course the basis upon which the tariff was arranged originally would no longer have the same application at all because a twenty-five per cent tariff, for instance, based upon the normal value of the currency of a country, would be only a twelve-and-a-half per cent tariff if that currency were depreciated fifty per cent, and that of course would mean disaster to many Canadian enterprises. All these factors are being carefuly considered, and from the reports which I received this morning I believe that a most earnest effort is being made to arrive at an adjustment that will be satisfactory; by that I mean an adjustment that will be fair and just to Canadian enterprise while at the same time not being unfair or unjust to trade between Japan and Canada.

EXPORTS OF CANADIAN NICKEL

On the orders of the day:

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, in view of the disturbed international situation will the government take steps to cooperate with the League of Nations in order to prevent any Canadian nickel passing into the hands of armament firms?

Right Hon. R. B. BENNETT (Prime Minister): Mr. Speaker, this matter has been so frequently discussed in this house that I do not propose to discuss it again this afternoon at any length beyond saying this, that the reports that are received from time to time do not indicate that shipments of nickel are made directly from this country to foreign countries or to armament firms in the sense that it would be used for armaments, but on the other hand it is equally clear that large quantities of nickel leave this country that are sold to purchasers direct from the dealers or producers, and what happens to it after that is beyond the power of this government to control, or any other government for that matter, for once the property becomes vested in a purchaser that purchaser makes such disposition of it as he sees fit. However, the matter is under further investigation by departmental officials, and possibly at a later date I may be able to give a more complete statement with respect to it, together with figures and statistics.

SANTO DOMINGO TARIFF

On the orders of the day:

Mr. WILLIAM DUFF (Antigonish-Guysborough): Mr. Speaker, several weeks ago I brought to the attention of the government the fact that the government of Santo Domingo had increased the duty on fish from Canada to that island from $2.25 per 100 kilos to $17.25 per 100 kilos. They also increased the duty on potatoes from two cents per kilo to seven cents per kilo. In other words a ninety-pound bag of potatoes that paid 83 cents duty previously now pays if imported, a duty of $2.90. On onions the duty on a 100-pound bag instead of being 92 cents as previously is now $3.22.

I would like to ask the government what they have done with respect to this situation following my previous question, and if I may be permitted, sir, without moving an amendment on the house going into supply, I would like to call to the attention of the government now that this is a very important and serious matter. For instance, in the year 1934 there were shipped to Santo Domingo from Halifax, 21,635 drums of dried salted fish; 51,645 boxes of smoked herring; 312 barrels of pickled fish; 3,228 bags of potatoes; 730 barrels of potatoes, and 1,480 bags of onions. Up to March, 1935, there was shipped this year 4,989 drums of dried salted fish; 12,417 boxes of smoked herring; 52 barrels of pickled fish; 2,010 bags of potatoes; 111 barrels of potatoes, and 1,150 bags of onions.

[Mr. Woodsworth.]

I would call the attention of the government to the fact that these figures are for the exports from Nova Scotia only. New Brunswick and Prince Edward Island are just as much interested as Nova Scotia. The fishing season this year has started in the maritime provinces and I would direct the attention of the Minister of Trade and Commerce (Mr. Hanson) and the government to the fact that unless some arrangement is made with Santo Domingo, not one dollar's worth of that business will come to this country and the fishing for this class of fish will be ruined. Since March 9 not one bag of onions, one pound of fish or one bag of potatoes has been shipped to Santo Domingo. The duty on fish has been increased from $2.25 per hundred kilos to the prohibitive rate of $17.25 and the great reason for this increase is that this country does not allow sugar to come in from Santo Domingo under a fair rate of duty, and it is a retaliatory measure.

Hon. R. B. HANSON (Minister of Trade and Commerce): Mr. Speaker, I regret the hon. gentleman did not see fit to give me notice of his question as I have not the necessary papers before me. However, I would say to him, to the house and to the country that long previous to the time he brought this matter to the attention of the government in this house representations had been received in regard to it from exporters in Nova Scotia. We immediately got in touch with the situation and we found that the Santo Domingo government had passed regulations not only against this country but against every country in the world. Immediately these facts were verified we requested the British minister to make the necessary representations to have this situation corrected. I have not been in Ottawa for the last few days and I cannot give my hon. friend or the house the exact position of this matter. I shall have a statement prepared and if possible I will deliver it to-morrow. I would reiterate and reaffirm what I said a moment ago, the prohibitive measures adopted by this republic were not adopted only against Canada, they were adopted against the whole world.

Mr. DUFF: Does my hon. friend mean to say that this matter was brought to his attention before I brought it up on the floor of the house a number of weeks ago?

Mr. HANSON (York-Sudbury): Quite so

Mr. DUFF: I brought this matter before the house at the same time the minister received the protest from exporters and others.

DUTY ON SALTED FISH

On the orders of the day.

Hon. CHARLES MARCIL (Bonaventure): Mr. Speaker, I should like to inquire of the Minister of Trade and Commerce (Mr. Hanson) if it is true that Italy has raised the duty on salted fish from this country and as a result exports have fallen off very considerably, especially in fish from the Gaspé coast?

Hon. R. B. HANSON (Minister of Trade and Commerce): If the hon. gentleman will allow his question to stand as a notice I shall give him the information to-morrow. In the meantime I would say that the whole matter is under consideration and negotiation.

Mr. DUFF: The reason is that the British trade agreements provide for quotas.

BUSINESS OF THE HOUSE

INQUIRY AS TO FURTHER LEGISLATION TO BE BROUGHT DOWN

On the orders of the day.

Right HON. W. L. MACKENZIE KING (Leader of the Opposition): Mr. Speaker, might I ask the Prime Minister (Mr. Bennett) if he would give to the house at an early date an outline of what further legislation the government intends to bring down before the conclusion of the session. In that connection would he indicate whether negotiations are still continuing between the United States and Canada with respect to a trade agreement, and whether he contemplates the probability of submitting an agreement to the house before prorogation?

Right Hon. R. B. BENNETT (Prime Minister): Mr. Speaker, this morning I endeavoured to make a précis of such legislation as I thought would be desirable to introduce to the house before the end of the session, but at the moment I have not been able to complete this. I hope to be able to make a statement at an early date, but I cannot say that it will be done tomorrow, because some of the bills which it is proposed to introduce are now under consideration by the cabinet and certain legal formalities will have to be observed to determine their constitutionality and other matters of that kind. With respect to the last question asked by the right hon. gentleman, I can only say that negotiations with Washington have been continuing, but it would be idle for me to express any view at the moment as to whether or not they would crystallize in the form of an agreement within the period of time which will elapse between now and the rising of the house. If, as and when I am informed so as to be able to give an answer to that question, I shall be glad to give such information to the house.

PRIVILEGE—MR. BROWN

On the orders of the day:

Mr. J. L. BROWN (Lisgar): Mr. Speaker, on the Tuesday evening before the house adjourned I made a statement in connection with the chairman of a Senate committee; I accused that hon. gentleman of casting reflections upon the private bills committee of this house. It may be that he was misreported, or that I had misinterpreted the report of his remarks, but I have received a letter from the hon. gentleman assuring me that he intended to cast no reflection upon the committee of this house. I accept his assurance and I gladly withdraw the statement I made.

PUBLIC WORKS PROGRAM

WORKS, UNDERTAKINGS AND GUARANTEE OF RAILWAY EQUIPMENT SECURITIES TO CREATE EMPLOYMENT

The house resumed from Wednesday, April 17, consideration in committee of Bill No. 63, to create employment by public works and undertakings throughout Canada and to authorize the guarantee of certain railway equipment securities—Mr. Stewart (Leeds)—Mr. Morand in the chair.

On section 2—Authority to execute and complete works.

Mr. FACTOR: Mr. Chairman, when the committee adjourned we were discussing item 7 of the schedule, tunnel at western entrance Toronto harbour, $1,000,000. Are you calling that item?

The CHAIRMAN: We are following the bill and are taking up section 2.

Mr. FACTOR: I regret exceedingly that I was absent when the committee had under discussion this item with regard to the construction of a tunnel at the west entrance to the city of Toronto. I suggest that it would have been fair for the gentlemen who inaugurated the tunnel scheme to have taken into their confidence the people's representatives in this house and give them more information than they have offered in regard to this item. I may say that the city council of Toronto was unaware that this item was coming up for discussion in the house, and I will show later on that the Minister of National Revenue (Mr. Matthews) and the hon. member for

Parkdale (Mr. Spence) were under a misapprehension when they said that the corporation of Toronto undertook to expend a certain sum of money to maintain the tunnel. I should like to make it abundantly clear that the members on this side of the house who opposed the item did not oppose any expenditure for the relief of unemployment so far as Toronto is concerned. I think the member for West Lambton (Mr. Gray) made it clear that we on this side are ready to expend any amount—the hon. member for Quebec South (Mr. Power) suggested $2,000,000—to relieve unemployment. But the question was whether the expenditure was justified under present conditions if the purpose was to allocate it to the construction of a tunnel at the western entrance.

I need not urge on this house the position of the men and women who live on the islands of Toronto. They have an opportunity of getting away from the turmoil of the city, from all the traffic, from the noise and the smoke, in order to spend a few months on the Toronto islands. Now this may be a narrow way of looking at the matter. I am willing also to concede that at some future time there may be need of connecting the islands with the Toronto mainland in order to afford an opportunity to more people to patronize the islands. But the question that ought to be discussed at the present time is this: Are we justified in spending $1,000,000 for the construction of a tunnel, or should we spend this money in the construction of some more useful public work? Let me make it clear that the construction of the tunnel is not primarily for the purpose of connecting the islands with the mainland; primarily it is an airport scheme, and the tunnel is not required unless first of all an airport is established at the location indicated on the plan. I realize the need of airports and air bases, but the question arises whether this is the proper time to spend money on airports.

In the expenditure of public money I think we should adopt the same attitude as any individual who is spending his own private funds. We are passing though very difficult days of depression and it is about time that this government realized that public money should be expended only for useful purposes, because after all it is the taxpayers who will have to pay the money. I think there are many other useful works in Toronto to which this money could be allocated. For instance, there is the elimination of level crossings—something that endangers human life; these crossings have taken a heavy toll. Why not allocate this $1,000,000 to the elimination of some level grade crossings in or about Toronto? Then there is the question of slum clearance. The Lieutenant Governor of Ontario has handed in a useful report on slum clearance. The city council has not taken action in the matter—perhaps there are financial reasons—and there is an opportunity here for the government of Canada to help to put into effect the recommendations contained in Lieutenant Governor Bruce's report, by spending this money, and more perhaps, for the purpose of slum clearance. Then there is the question of building a court house in Toronto. The courts are now located in the city hall and the building is overcrowded. Here lies an opportunity of reviving construction—and nothing will get us out of the depression unless the construction industries revive. There are masons, carpenters and all kinds of builders, mechanics and labourers out of work, and the construction of a city hall would give them employment. I suggest that $1,000,000 used for any of these purposes would go a longer way than it would in the construction of a tunnel to be used only for an airport base.

I want to make it clear that in the plans prepared by the engineers of the harbour board of Toronto there is provision for the expenditure of $1,000,000 for the construction of a tunnel; but that is predicated, first upon the corporation of the city of Toronto expending $119,000 in connection with the tunnel; secondly, the sum of $305,000 in connection with the establishment of an airport; and thirdly, the sum of $186,000 in filling in lagoons and making parking areas.

The Minister of National Revenue in the discussion in the house at the adjournment made the statement that the city had undertaken to assume the cost of maintenance, including paving and ventilation, reducing the cost to the federal government to approximately $1,000,000; and the hon. member for Parkdale made a similar statement, that the tunnel would cost only $1,000,000 and that it would be there forever, maintained by the city. I may inform the house to-day that the city council has not been consulted about this scheme. The city council of Toronto has not agreed to maintain this tunnel nor to expend any money. It does seem to me that it is putting the cart before the horse. The harbour board might have approached the city council and obtained their opinion with reference to this expenditure, because as a matter of fact there is a great difference of opinion in the council. There are members of the city council who are absolutely opposed to the expenditure of money, not because they are opposed to spending money

for relief but because they feel, as members of the city council, that there are many other purposes for which the money could be spent.

I need not take up the time of the house giving any further explanation of this matter. Members on this side are ready and willing to vote any sum of money for the purpose of relieving unemployment, but they feel that any work recommended for the expenditure of money ought to be, in the first place, an essential work; that secondly it ought to be useful work; and thirdly that there are more useful works on which this money could be spent. I move, therefore, seconded by the hon. member for North York (Mr. Mulock):

That the words "tunnel at western entrance, Toronto" be struck out and the following substituted: "for construction of such public works or undertakings to relieve unemployment as may be agreed upon between the corporation of the city of Toronto and the government of Canada—$1,000,000."

The CHAIRMAN: Rule 510 reads:

It is not allowable to attach a condition or an expression of opinion to a resolution in the committee of supply, or to change the destination of a grant.

Inasmuch as this definitely falls within that provision I shall have to rule it out of order.

Mr. CHURCH: There was never a vote before this committee that was so much misunderstood and concerning which some of the speakers had so little knowledge of the facts as this vote of the 17th of April. The city of Toronto is the largest tax-paying city in the dominion, in excise, customs, postal receipts and other forms of revenue. It was said here the other day that the total was $67,000,000. You will find from the report of the Minister of National Revenue that customs duties amounted to $61,000,000, and postal receipts to nearly $7,000,000. The city of Toronto gets little or nothing. Comparison has been made of the Toronto harbour commission with the harbour commissions in Montreal, Quebec, Saint John, Halifax, Port Arthur and Vancouver, but there is no comparison. The other harbours I have mentioned are federal ports, money spent on those ports is spent by the government of Canada. In the case of Toronto it is totally different, the harbour commission is a city commisison, it spends nothing but city money. Any money that this government furnishes in connection with the entrances to Toronto harbour comes under the agreement of 1913, and is spent under the jurisdiction of the Minister of Public Works. The Toronto harbour commission consists of five members, of whom three are appointed by the city—I was a member for twenty-two years and chairman for some time—and the other two by this government. We never had any politics on the commission while I was there. There is in fact so little politics that while all the other harbour boards from Vancouver to Halifax resigned or were removed when a new government came in, this commisison has two of its members on it yet, two representatives appointed by the late government, they were on the commission in 1930 and are there to-day. They are two, good reputable men and they have done good work.

This proposition has been misunderstood. In the first place Toronto island is a breakwater in itself. It is formed by a sand bar, about three and a half miles long, and there is an entrance to the harbour at each end. Those two entrances are navigable waters and as such come under the British North America Act, and also under an act known as the Navigable Waters' Protection Act. By the British North America Act the government of Canada has jurisdiction over boundary waterways, interprovincial streams, and in relation to navigation. That is how it comes that the federal government has something to do with Toronto island. From 1867 to the present time the government of Canada have had to spend large sums of money for protection of the shore of Toronto island. Since confederation there have been some twenty-one votes, as shown in a return I had to an order of the house a few years ago. The government of Canada have always been responsible for that work, firstly under the British North America Act and secondly by the special agreement of 1913. In 1913 under an order in council validated by act of parliament a contract was made between three parties, the city, the harbour commission and the government. Any party to this contract who is aggrieved can bring the government of Canada into the exchequer court. We had the opinion of the law officers of the crown that there was a contract and we were about to bring the government on the viaduct case into the exchequer court when a meeting was held upstairs with the late Minister of Railways, the Right Hon. Geo. P. Graham. and we settled the case. So the contract has been established. The contract provided for some way of getting across these two entrances, the western entrance which is just east of the exhibition grounds, and the eastern entrance. The government of Canada agreed to build two bridges across those two entrances costing $400,000 each. That was agreed in 1913 with the Hon. Mr. Rogers, then Minister of Public Works. This contract was signed and the three parties started work simultaneously;

the harbour commission started its work, the city started its work and the dominion government started its work of building a turning basin in the industrial area at the east end and improvements to the western entrance.

Toronto island is a great asset to the city. But to-day very few people use the island. Hanlan's point is at the western entrance, where Ned Hanlan who held the rowing championship of the world lived. As I say, the island is only used by a very small percentage of the people. It can only be reached by a ferry boat. The ferries were privately owned until 1928 when the city took them over and they are now operated by the Toronto transportation commission. Instead of being used for only three or four months of the year by a small number of people this island could be used all the year round. It should be for all the people all the time, not for some of the people some of the time. The working people of Toronto carried the harbour by-law for the new harbour in 1911. In 1910 I moved in the board of control for a committee of the council to report on a greater harbour. The committee sat for nine months, and after investigation of harbours the world over we presented our report, which went to the people, and they by a vote of almost ten to one carried the by-law for a greater harbour. Fifty per cent of the work was a beautification scheme and the other part an industrial development, bringing into being a large industrial area in what is known as Ashbridge's bay where 760 acres of land have been reclaimed.

That work has gone on from 1913 until to-day, the work being now practically complete except these two bridges, one across the western entrance and the other across the eastern. Since these bridges were planned the traffic of the harbour has grown so rapidly that the type of bridge required instead of costing $400,000 would require $800,000. But the fact is that with the great increase in shipping, passenger boats as well as freight, the proposed bridges are now obsolete, as was found in the Detroit river, and a tunnel is considered the suitable provision for navigation and the safety of the public. It will be recalled what happened in the Detroit river, sometimes there were accidents with the ferries, and with bridges that would have to be lifted every few minutes there would be interference with shipping and with road traffic. Economy will be effected by substituting a tunnel for the bridge.

The expenditures of the city and the harbour commission amount to $28,600,000, that is entirely city money. The federal government has only given $8,000,000.

[Mr. Church.]

Bridges are out of the question in view of the increasing tonnage of the harbour. For example hundreds of thousands of tons of coal are coming in by water. Oil tankers come from all over the world bringing oil for Imperial Oil, British American Oil, McColl-Frontenac and many other companies which have great areas of land and investments of millions of dollars in oil refining plants and storage facilities in the harbour area. The tonnage of the harbour has gone up from 959,234 tons in 1929 to 3,215,000 in 1934.

As I say, the proposed tunnel is the modern method of handling traffic under these circumstances. The estimated cost of the tunnel is given in the bill at $1,000,000. Someone spoke of the maintenance of the tunnel as compared with bridges. If this bill passes an agreement will have to be made, following the practice of 1913, to build the entrances. An agreement was also to be made between the city and the harbour board, and this government represented by the Minister of Public Works, providing for the matters referred to on April 17, by the hon. member for Toronto East Centre (Mr. Factor). These agreements as to approaches to and maintenance of the tunnel have not been completed, but negotiations are going on at the present time and it is hoped that in a few days these agreements will be concluded. The approaches to the bridge of course, are a matter for the city, involving as they do roadways, road widening and many matters of that description.

I may say that the city of Toronto has received very little from the federal government since confederation. We have not even a central post office there to-day; instead we have a number of sub post offices in rented quarters all over the city. We have been given a few new buildings, but the large city of Toronto has not a proper, up-to-date post office. It was only recently that we were able to get a customs house, though for nine years I sat in this house trying to get one. Toronto brings in $61,000,000 a year in customs revenue, but until recently there were only ramshackle buildings scattered all over the city. The city of Toronto is not asking for very much. Our case is similar to that of the city of Montreal, where the government contributed $14,000,000 or $15,000,000 towards the cost of constructing a bridge between the city and an island owned by the city. In Toronto the new harbour plan and the new entrance are all provided for. When I was connected with it there were no politics in connection with the harbour board; previous governments have done very handsomely by the harbour board of Toronto.

When I was sitting across the way we had a viaduct built there, and I give a great deal of credit to Right Hon. George P. Graham for the solution of that problem. The hon. member for South Winnipeg (Mr. Rogers) was also active in the matter. When we started the greater harbour he was the pioneer who started that work.

The people want to use this island all year. In Detroit they transformed an island into a magnificent playground that is visited by people from all over the world, and the same thing could be done in Toronto. These islands could be used all year, and if this tunnel is constructed a great deal of revenue will accrue.

Now I should like to say just a word as to the relief situation. The construction of this tunnel, as well as the construction of the airport and seaplane base, will mean a tremendous amount of work. I have an analysis here showing the percentage of the money that will be paid for labour. In connection with the tunnel the labour cost will amount to from 78 to 80 per cent of the total. In connection with the subway the direct labour cost will amount to over 51 per cent and the indirect labour cost to more than 26 per cent, at total of nearly 78 per cent. In connection with the airport and seaplane base the direct labour cost will amount to over 59 per cent and the indirect labour cost to more than 18 per cent, a total of almost 78 per cent. So you see there will be a great deal of work created. I think the time hase come when we must do more than carry on reconstruction and housing plans if we are to solve the labour problem and get people off the dole. We should be following the example of Italy, where the government are building in advance of the present age in connection with municipal institutions of all kinds, such as hospitals, schools, trunk sewers, habour improvements, registry offices and so on. All these are being built by the federal government of that country. It is far better to provide work for masons, bricklayers, carpenters and other skilled workmen than to have them on the dole. The Conservative party are protectionists, but if we believe in protection we should protect all the people; we should believe in it as a principle and not as a privilege for the eight or ten men who control the means of production in this country to-day. That is where we all have gone wrong; we must bring protection up to date.

I believe that in this matter the Liberal-Conservative party is quite consistent, since nearly eighty per cent of this amount will be spent directly and indirectly for labour. All the newspapers of the city, including the Toronto Star, the Toronto Globe, the Evening Telegram and the Mail and Empire, have come out strongly in favour of this proposal. They think something is due the city of Toronto, in view of the revenues that have been collected there in the past and that are being collected at the present time. Toronto contributes well over $1,000,000 a week, and all we are asking for is $1,000,000 to help us with this work. I have a return here showing the amounts expended in various harbours, but I am not going to discuss that point to-day because I believe in the principle of confederation, each for all and all or each. I believe that what is for the benefit of Vancouver harbour is also for the benefit of Toronto harbour, Halifax harbour and all the other harbours, though the figures show that Toronto is receiving a very small return in proportion to its population and the revenues it contributes to the federal government.

There is a demand for this work from labour, as well as from nearly all of the municipal associations in the city. At the present time the island is used by only a few people; it has only about ten thousand permanent residents, who rent the ground at so much per foot and build their own improvements. If this vote goes through the island will be opened up to thousands of others. As hon. members know, because of the construction of the viaduct Toronto bay is only about sixty per cent as wide as it was formerly, and the result is that it has not the attraction it previously had. The city has taken over the ferry boats and invested a great deal of money in the island.

Reference has been made to the agreement of 1913. Let me tell you, Mr. Chairman, that Toronto is the only city in the Dominion of Canada that has contributed to the cost of grade separation. Toronto did not need to contribute one dollar to the cost of constructing the viaduct; the railways were responsible for that undertaking, but the city voluntarily contributed over $8,000,000 towards the cost of that work, though in other parts of the country grade crossings are eliminated under the grade crossing fund. Let us be fair to the city of Toronto and to the province of Ontario, which contributes about 44 per cent of the total cash taxes of the dominion but which gets very little in the way of public undertakings. The people voted on this proposition on January 1, 1911, and, as I have said, the by-law was carried by a very large majority. I do not believe I can add anything to that which I have

already said, except to repeat that the minister is to be commended upon the proposed expenditure. It will greatly improve the city of Toronto. We know that during the war that city was selected as the headquarters for operations of the royal air force. Eighteen thousand cadets were in training, and this number does not include the mechanics. Camps were located at Leaside, Armour Heights, Long Branch, the University, and at various other points. I say Toronto is the logical center for an air port, and that such a development would be in keeping with the general growth of the country.

Only a short time ago we celebrated the silver jubilee of the reign of His Majesty the King. If hon. members would look back twenty-five years they would bring to mind the beginning of the harbour improvements program, at which time the government committed itself to expeditures both by contract and under the provisions of the British North America Act. At that time the prediction was made that when automobile and air transportation were developed railway travel would be eliminated. That however has not proven to be so, because to-day the railway is still the safest and most economical method of transportation; perhaps it always will be. To-day aeroplanes are used to a very limited extent as a means of travel; then, in addition in Europe they are used for the transportation of rich men, by frightened politicians who in Europe go from capital to capital, and by embezzlers who wish to leave the country quickly. But in Canada an important part will soon be played by commercial aviation. We believe however that the proposed expenditure will supplement expenditures being made by the municipality, and that commercial aviation may in time assume a proper relationship to travel by land and water.

I suggest it is essential that the proposed expenditure be made. While I must observe that harbour development originated through a Conservative administration, politics has not played a very great part in the discussion of plans for the Toronto harbour and the Liberals settled the viaduct case for us. In 1924 the city of Toronto approached the then government, and I believe upon this occasion I would do well to pay tribute to the then Minister of Railways, Mr. Graham, for the part he played at that time.

As the hon. member for Parkdale has said, we are not asking very much. Out of an expenditure involving many millions of dollars we are asking only $1,000,000, and I believe the government would do well to make this expenditure.

[Mr. Church.]

Mr. MacNICOL: Mr. Chairman, I rise to support the appropriation for the tunnel to Toronto island. Before proceeding to make further observations, however, I should like to make some comments on the remarks of the hon. member for Toronto West Centre (Mr. Factor) who I believe said that hon. members on his side of the house had not opposed the vote for the city of Toronto when, before the adjournment, the matter was under consideration. I would remind him that four hon. members sitting around him spoke in this connection and in each case opposed the expenditure.

First we heard the hon. member for West Lambton who, concluding his observations, said:

> I think this committee as a whole believes that it would be to the better advantage of the city of Toronto if this amount of money were utilized for slum clearance instead of for the construction of this tunnel.

The question of slum clearance was not under discussion, nor does the bill refer to it. I would direct the attention of the hon. member to the fact that the bill referred to a tunnel, and that that was the matter under discussion. Then the hon. member for West Middlesex concluded his observations as follows:

> But I think, Mr. Chairman, that this item ought to be cut out or stand until such time as the committee is given some satisfactory explanation in regard to it.

Again, concluding his remarks the hon. member for North Waterloo said:

> Would it not be better for the balance of that $1,100,000 to be expended in the city of Toronto for other relief work which would provide the employment that this tunnel would give.

I say the tunnel is one item which will give employment. Whether or not under this vote the house would be prepared to discuss other means of providing employment, I do not know. I do say however that an expenditure for the building of a tunnel would provide employment, and I repeat that that is the subject now under discussion. Concluding his observations the hon. member for Melville said:

> I do not think we should be asked to vote a million dollars to build a tunnel unless we know what it is for and how much it will really cost.

I suggest if the hon. member for Toronto West Centre had read the observations of hon. members on his side of the house—and perhaps he may have done so—he would have recognized that every speech made by his colleagues was made in opposition to the building of the tunnel.

Now he rises in his seat and voices his opposition to this construction. He said that at some future time there may be good reason for connecting the island with the city of Toronto. I am one who believes the time has arrived when that should be carried out, and in view of the fact that 78 per cent of the money required for the tunnel's construction would be spent for direct and indirect labour I say this should be the proper time to do the work. That money would go into the pockets of workmen in cement mills and steel mills, and into the pockets of those men who in an indirect way, by their operations in factories, would supply material to do the work. Directly, money would go into the pockets of the men actually engaged in the operation. I can think of no item which has come before this house during the present session in which a greater percentage of the expenditure would go directly into the pockets of the working men.

Although I have not had time to digest the circular dealing with unemployment sent out by the hon. member for Témiscouata, I should like to commend him for his energy in compiling the details therein set forth. Upon casual consideration of these details one is amazed to learn the number of men unemployed simply because they have no trade and are in the class known as that of the labourer. In the building of a tunnel the ordinary labouring man would receive a great part of the expenditure, and I suggest that in this vote of a million dollars he would receive more than in any other items or other works of which one could think.

With no desire to criticize the hon. member, and merely by way of consideration of his observations, may I refer to the fact that the hon. member for Toronto West Centre stated that the scheme was one chiefly of developing the airport. As I see it the development of the airport is subsidiary to the building of the tunnel. In 1913 an agreement was entered into by the Toronto harbour commissioners and the federal government. Upon that occasion the then Minister of Public Works, the Hon. Robert Rogers, signed for the dominion. I believe at this point it will be proper to express my regret that the hon. member through illness has not been in his seat for some time, and I should like to state that the citizens of Toronto have a very warm spot in their hearts for him, and for the part he played in connection with the development of our harbour. I could present an argument for the tunnel on the ground of the airport but the argument for the tunnel does not depend upon the airport scheme, although that is very necessary from the point of view of future development and additional reason for the tunnel.

Mr. FACTOR: Can the hon. gentleman say whether the government would be prepared to construct the tunnel without the airport?

Mr. MacNICOL: I am not speaking for the government but I would support the government if it constructs the tunnel without any reference to the airport. The tunnel was part of the origitnal scheme of 1913. Under that original scheme the federal government had to do certain works. They have been detailed to the house before but it will do no harm for me to repeat them. The federal government undertook to build a western breakwater, an eastern breakwater, and to build bridges over the western gap and the eastern gap and the marginal way and perhaps some other items. As I understand it, the federal government has carried out its part of the agreement outside of the two bridges, one for the eastern gap and one for the western gap and the eastern breakwater.

Mr. ELLIOTT: Is it not a fact that certain other work was done by the federal government that was not contemplated in the 1913 agreement and it was understood that we should not continue with this tunnel?

Mr. MacNICOL: I understand that the construction of a bridge over the western gap was in the agreement, and that part was not carried out. The engineers say to-day that it is not advisable to build a bridge, that the tunnel is the advisable thing to-day, and that part of the agreement should be carried out irrespective of anything else that is or is not to be carried out.

The city of Toronto had also to do certain works, and as I understand it the city of Toronto has carried out its part of the agreement one hundred per cent more or less. The harbour board had also to do certain work, and this work has been carried out to the extent of eighty per cent.

Anyone who is at all conversant with aviation must realize that if the time is opportune to build an airport, we have there an ideal situation for an airport. Planes are being built to larger and larger sizes, and according to the laws of aviation there must be a considerable distance between the point at which a plane first touches the ground and the point where it commences to descend. In the selection of airports that is a problem

that all aviation engineers have to face, and from that point of view the proposed airport site is excellent, I am told, both for land planes and seaplanes.

Mr. FACTOR: How many acres?

Mr. MacNICOL: I cannot tell the hon. member that, but he has the report of the Toronto harbour commission before him and he can find the answer to his question there.

The hon. member for East Toronto (Mr. Church) has detailed the amounts that each one of the parties to the 1913 agreement has already contributed. There has not been any finding of fault with the city of Toronto for not carrying out its part of the agreement because, as the member for East Toronto has just said, the city of Toronto has carried out its part and has spent 64 per cent of all the money that has been spent under all these agreements.

It has always surprised me, Mr. Chairman, to see the anxiety of certain hon. members on the other side of the house, not all belonging to one party, to oppose votes for the city of Toronto. The background of such a member passes my comprehension, how he can rise and oppose just requests from that great city. The Conservative members, ten of the twelve members from the county of York sitting in this house, have never in my recollection risen and opposed votes for the great city of Montreal, for instance. That is a port that any country may well be proud of. It is one of the great ports of the world, and I for one would be delighted at any time to support any vote for Montreal harbour which the harbour commission felt was for the benefit of that great port. Neither do I recall any instance where the ten of the twelve members from York county sitting on this side of the house have opposed any votes for the great harbour of Vancouver, which is rapidly growing to be one of the great harbours on the west coast of North America. And, similarly, with respect to the great ports of Halifax and Saint John. I would be glad to support any vote that would be for the benefit and welfare of this country, and particularly if it is a vote that will provide a lot of employment and provide a large amount of labour proportionately, which this proposed tunnel will do.

Some hon. member—I forget just who it was—said that this tunnel would benefit only a small number of people. But, Mr. Chairman, I would point out that when these works are completed the number of people who will benefit from them will be tremendously increased over to-day. I for one very seldom go to the island. When I want to go I have to go down in my car and park it in some parking ground, or else go down by street car, and after having done either one or the other, I have to go into a pen and stay there perhaps ten or fifteen minutes, perhaps not quite that length of time, and then I have to rush over a dock to a boat, and on returning from the island I have to go through exactly the same procedure. The result is that only a very small fraction of the mothers and children who would dearly love to go over from the city of Toronto to the island, if there were only some way to avoid all this trouble and the payment of two fares, do go over to the island to-day. Toronto island is one of the finest breathing spaces on the continent of North America. I have travelled a great deal, have visited many cities and have seen their parks and islands, and I say this without fear of contradiction, that there is not a finer park anywhere on the continent of America than on Toronto island, and I for one am opposed to the few permanent inhabitants of Toronto island attempting to preserve that island for themselves, if they are behind any opposition to this scheme, and I do not say they are. The great mass of humanity, thousands and thousands of mothers and hundreds of thousands of children would dearly love to get over to the island on one fare, and to get there without having to travel over on a boat.

I quite realize that the plan proposed at the moment does not permit of their riding around the island or riding perhaps very far on it, but the hon. member for Toronto West Centre knows as well as I do that the Toronto harbour board has so laid out its plans that within a reasonable length of time—I believe they say three years more or less—what is called the lagoon will be filled in, and street car or motor car traffic will be allowed to go right on to the main part of the island. Knowing the hon. member for Toronto West Centre as I do, knowing his interest in the comfort and happiness of the women and children of Toronto, I know that he would like to see these thousands of mothers and children have easy access to the island, and I really cannot understand his opposition to this vote.

Mr. FACTOR: The hon. member should see the houses in which these women and children live.

Mr. MacNICOL: I am in favour of slum clearance but that question is not before us; the question before us is the construction of a tunnel to Toronto island. If the government introduces a motion in connection with slum clearance I shall be only too glad to

support it. The hon. member for East Toronto (Mr. Church) referred to the amount of tonnage now entering Toronto harbour. As a citizen of Toronto I am proud of what the harbour board has done in this connection. The tonnage entering Toronto harbour is the third largest of any port in Canada, being exceeded only by Montreal and Vancouver. The Toronto harbour commission state that it would be practically impossible to build a bridge across the western entrance to the harbour. They state that if a bridge were built it would have to be lifted between six and seven thousand times during the season, so that taking everything into consideration a bridge is out of the question.

The hon. members from Toronto and the county of York—I shall not specify them—have at all times supported votes in favour of other large cities. As a member from Toronto I appeal to hon. members opposite to come forward and give our great city an opportunity to have every access to its island. This complete project will provide labour to the extent of over $1,000,000, taking into consideration the expenditures by the harbour board and by the government. The hon. member for East Toronto pointed out that Toronto furnishes twenty per cent of the revenue of Canada while Ontario furnishes forty-five per cent. I do not like to make comparisons with what other cities have received, but I would mention that last year and this year Montreal received over $9,000,000; Quebec received over $2,559,000; Halifax, $2,134,000; Saint John, $2,000,000 and Vancouver, $1,254,000. If this vote is passed Toronto will have received, along with the votes of last year, a total of only $2,466,000. I do not think anyone can say that Toronto has been particularly favoured.

I cannot understand the attitude of hon. members opposite and particularly hon. members from Toronto or from the ridings adjacent thereto. I notice the hon. member for North York (Mr. Mulock) is ready to get up and support his hon. friend. He lives in Toronto and represents a riding adjacent thereto and I am surprised at his seconding the motion of the hon. member for Toronto West Centre (Mr. Factor). I am surprised at his opposing the construction of a tunnel to the island.

The hon. member for Toronto West Centre referred to the elimination of grade crossings. I am in favour of such work as I believe there are some grade crossings in Toronto which should be eliminated. But the only question before us at the moment is the construction of a tunnel to the island and I contend that this vote will provide more labour than any other vote which has been passed recently by this house. It will provide an easy access to the island and make possible a splendid airport for both sea and land planes. Of all the great cities on the continent of America, Toronto is the least favoured in this connection. Toronto is situated in the southerly portion of Ontario and is in close proximity to the great centres of population on the American side of the border. I feel quite confident that if we had an adequate airport there would be an increased air traffic betweeen Toronto and the great American cities.

There is a certain amount of opposition to a tunnel and the argument has been advanced that this matter came up in this house before being brought before the city council. I was glad to see the hon. member for Toronto West Centre at a meeting which was held in Toronto the other day. I will state quite frankly that the hon. member is as much interested in the city as I am. At that meeting the engineers of the Toronto harbour commission produced evidence to show that the procedure followed in this case was identical to that followed in every other case where the harbour board had applied to the government and there was no slight intended to the city council or any other civic body. If that is so I cannot see why there should be any opposition from the opposite side and particularly from hon. members from Toronto and adjacent ridings.

Mr. ELLIOTT: I should like to clear up a point which seems to be in doubt in the mind of the hon. member who has just spoken (Mr. MacNicol). There is no hon. member on this side who does not agree with everything he has said with regard to the excellence of Toronto harbour. It is not a question of whether or not this shall go to Toronto, the question is whether this work should be done at all and particularly at the present time. If my hon. friend were in a position to say to the committee that the city council of Toronto was agreed upon this scheme he would have a much stronger argument.

Mr. MacNICOL: My hon. friend cannot say that the city council has expressed itself as being against this scheme.

Mr. ELLIOTT: Here is a proposal to spend a million dollars and if the best argument he can make is that the city council is not opposed to it, that is not a very strong contention in favour of spending $1,000,000 in this way. I want to follow another suggestion which he threw out and it is this. It is not a question of opposition because this is Toronto; that is not the case at all. I believe that every member on this side would quite concur in the sug-

gestion which I think was put forward by the hon. gentleman who just sat down, if I understood him correctly, that if there were substituted for this scheme the spending of this amount of money on slum clearance he would be in favour of it.

Mr. MacNICOL: I cannot allow the hon. gentleman to put words into my mouth. I said I was heartily in favour of the tunnel, but the question of slum clearance was not before the house and if it came before the house I would support it as an altogether separate motion.

Mr. ELLIOTT: My hon. friend is now making himself clearer than he did before. I am perfectly agreeable, and I am satisfied that members on this side are perfectly agreeable to seeing this amount, if it could be arranged, devoted to the other purpose. If there could be substituted for this item the expenditure of this amount of money in slum clearance in Toronto, I do not believe there would be a dissenting voice.

Mr. MacNICOL: Are you or are you not in favour of building the tunnel?

Mr. ELLIOTT: I do not think I am much more opposed to the building of the tunnel than my hon. friend, and I say so for this reason. The hon. gentleman said in his speech that so far as the tunnel was concerned he was anxious that it should be constructed, but that so far as making it a connection with the airport was concerned he was not very particular whether that took place at the present time or not.

Mr. MacNICOL: My hon. friend has a habit of putting words in other people's mouths. I made no such statement and I would ask him to be good enough not to attribute it to me.

Mr. ELLIOTT: I took down the exact words my hon. friend used. He said: "I am in favour of the tunnel altogether without any reference to the airport." Perhaps the hon. gentleman will permit me to follow that up. He means by that, what I think is apparent to everyone, that the airport is now one of the reasons why they would support the building of the tunnel. That, I think, is what my hon. friend has in mind, and it is what others understood him to mean.

Mr. MacNICOL: Pardon me again. My hon. friend must not continue to misrepresent what I said. I distinctly made it clear just what I meant. I know he understood me correctly, but he is used to twisting witnesses in the witness box. Well, he will not get me mixed up that way. I distinctly said that I was in favour of the tunnel, irrespective of the airport, but that the airport is necessary also, my argument being that the tunnel can stand on its own feet, and if the airport is added to it that makes two reasons why I am in support of the tunnel.

Mr. ELLIOTT: If the hon. gentleman did not make it clear before he has made it perfectly clear now, that the connection with the airport is not an essential feature of this scheme. Now I do not think there can be any doubt that there is a great difference of opinion in Toronto. I wonder if my hon. friend would say that a majority or a third of the people on the island are in favour of this scheme.

Mr. MacNICOL: I believe that the island has or will have in the coming general election—it will be within the riding of the present member for Toronto West Centre—approximately 163 votes.

An hon. MEMBER: No.

Mr. MacNICOL: If my memory is correct it was about 163 the last election. Now if I have to choose between the wishes of 163 odd permanent residents on the island and seven or eight hundred thousand people off the island, my choice is rapidly and easily made. I am in favour of the great mass of the people.

Mr. ELLIOTT: I do not intend to get into any argument with my hon. friend with regard to the merits or demerits of the great city of Toronto. Everyone knows that it is a great city, that it contributes a great deal to the revenues of the country and that it has a great harbour, and for the relief of unemployment in that city, or for that matter in any other part of the country, I do not think there is any great difference of opinion among the members here. Let me point out that the arguments that have been made in support of this bill are about the strongest arguments that could be made against it. First of all it was mentioned in the agreement that was made and not carried out—away back in 1912 or 1913, it has been said. Now if they got along all these years without carrying out that agreement it could not have been just as urgent as it would seem to be at the present time. I think the minister will have in his possession the memoranda relating to that agreement and probably the agreement itself; he was going to produce it when we were here before. I think he will agree with me when I say that the things that have taken place in the years since that agreement was made have practically waived that clause

in the agreement so far as this government is concerned. That is to say, other things have been done by the federal department apparently more essential than the carrying out of that arrangement at that time. May I point out to my hon. friend that, as was mentioned by the hon. member for North Waterloo (Mr. Euler), one of the leading newspapers of Toronto, when this matter was first brought forward, declared that it did not see any necessity for the tunnel. Apparently it was not in favour of the project. I understand, however, that several newspapers have recently written editorials in favour of it.

Mr. SPENCE: The Globe changed its mind since then.

Mr. ELLIOTT: That may be. I should expect in a matter of this kind, if it were as good a proposition as my hon. friends suggest, if it were as necessary as they tell us, in the present state of the country's finances, it would have occurred to the newspapers in that city that it was a good thing; it would have occurred to them right away and we should not have seen any articles against it.

At the present time our finances demand that only those things that are absolutely essential shall be done. That is one of the greatest reasons why we should scrutinize with the utmost care every one of these items. I wonder if the committee would permit me to read an editorial that appeared in the Ottawa Journal of April 22. That is a journal that does not criticize severely appropriations made by this government. It says:

> That proposed Toronto tunnel.
> We dislike saying it, and for obvious reasons—

The CHAIRMAN: Inasmuch as the article from which the hon. gentleman is quoting is a comment on an item now under discussion before the committee, it is out of order. It is introducing a new member into the house, the Ottawa Journal.

Mr. ELLIOTT: I do not for a moment think that the chairman would go so far as to rule that newspaper statements regarding the advisability of expenditures included in an appropriation bill that is under consideration cannot be read. However, I am not going to argue the point. What this paper says is that every opportunity should be afforded to the people of Toronto to escape from themselves and their environment, but in answer to the argument that the dominion is obligated because of some agreement in 1913 it says:

> A fairly reasonable answer to that, we suggest, is that if this agreement has been let stand for twenty-two years it won't harm anybody much to let it stand a little longer.

That is the point. This proposed expenditure is in the way of relief, that is the argument. It is not an urgent matter otherwise. Then it continues:

> A million dollars, in these days, is a lot of money. If it has to be spent then by all means let it be spent in some way or for something that will give people work. Later on, when we get out of these woods, we can consider that world's hub in Toronto.

As far as Toronto is concerned I think my hon. friend will give me credit for having always taken a fairly generous attitude towards that city.

Mr. MacNICOL: Why are you fighting against Toronto labour now?

Mr. ELLIOTT: I am not fighting against Toronto labour, I do not intend to let my hon. friend get away with that argument. I am quite prepared to agree to this money being expended for relief in the city of Toronto in any reasonable way, but I say there will not be a large percentage of this expenditure go into the pockets of labourers.

Mr. MacNICOL: Seventy-eight per cent.

Mr. ELLIOTT: Not at all. In the second place I say that this is not the kind of expenditure that should be made in a crisis such as we are in at present, for a work between an island owned by the city of Toronto and the city, connecting it with an airport. That is the reason I am opposing it, and I suggest that any other reasonable expenditure of that amount of money that will relieve unemployment will be supported—I know I am expressing the opinion of everyone on this side of the house—supported by all members on this side. But we cannot go home and justify an expenditure for this purpose.

Mr. MacNICOL: The Toronto members supported the building of the London post office.

Mr. ELLIOTT: Will my hon. friend be silent for a moment? We have certain responsibilities. I ask hon. members on the other side who are going back to ridings similar to the ridings that a number of us represent, can they go back and justify at the present time an expenditure of a million dollars for a purpose of this kind? They cannot. For that reason I submit that the government should not press this. Do not let it get into the position of arguing for or against Toronto. Toronto is a great city, the great city of Ontario, a credit to Ontario, and the works that have been done in the harbour there are a great credit to the gentleman who designed them and those who assisted in carrying them

out. But this is not the kind of expenditure that can be justified at this time, therefore I suggest to the Prime Minister and to the Minister of Public Works that they relieve unemployment in some other way than by a fancy scheme of this kind that will not appeal to the people of this country at this time.

Mr. GEARY: It occurred to me as I listened to my hon. friends on the other side that they are quite aware of the adage that there are more ways of killing a cat than stuffing it with butter. The indications are clear enough that by whatever means it be done, or whatever arguments may be advanced, this vote is to be done away with. My hon. friend who has just sat down introduced the suggestion, entirely out of his own imagination, that the city council or city authorities do not want this. What possible evidence is there of that? There is no evidence that they do or do not.

Mr. EULER: Some do not. Does my hon. friend say the city council are unanimously in favour of it?

Mr. GEARY: They may be or may not, I do not know, but the city council have always been in favour of this work, the people of Toronto have always been in favour of it, and there has been no change in the situation that my friends can point to. That idea is only dragged in because of some newspaper editorial that my hon. friend has read.

Mr. EULER: What about Controller McBride?

Mr. GEARY: A newspaper reports that some controller has opposed it. I do not know that he has so expressed himself.

Mr. EULER: He certainly has according to the paper.

Mr. GEARY: Are we to carry or reject this vote on such a report before the matter has been up for discussion in the city council? That shows how far-fetched are the arguments adduced to destroy this vote.

Mr. GRAY: Did the hon. member know himself that this item was going into the bill?

Mr. GEARY: I see it in the bill, that is all I know about it.

Mr. GRAY: That is the first you knew of it?

Mr. GEARY: It is in the bill. What difference does it make whether I knew it on Monday or Wednesday? It is in the bill and the people of Toronto want this item passed. It is true that is not an argument why it should be passed but I am stating the facts in opposition to what has been said by hon. members opposite. There are some people opposed to this, always have been since 1913 and before. Those, generally speaking, are people who pass their summers on the island, they want it kept exclusively for themselves. But hundreds of thousands of the common people of Toronto want to get over there, and for the moment they are prevented because they have to pay two fares to get there. This will allow them to get on the island for one street railway fare from whatever part of Toronto in which they happen to live.

Mr. MULOCK: What about the airport?

Mr. GEARY: There was not any such thing heard of twenty-two years ago. When the agreement was made for a bridge in 1913 no one dreamed of airports. A bridge was agreed upon on the insistence of the people who wanted access to the island long before airships were heard of, let alone airports.

My hon. friend protests too much his desire to help Toronto in some way, in any way but that immediately at hand. I say frankly that I thoroughly agree that we would like all sorts of money spent on Toronto, I would like to see housing schemes, a new court house, any one of the things suggested, but hon. members who made those suggestions know as well as they know that they are sitting there that there is no hope of getting them at the present time, because those things have not been considered. If they succeed in getting this item knocked out of the estimates this money will not be spent in Toronto. And $700,000 of it would go in labour. I am interested in this because this work will be at the bottom end of the constituency which I represent and hope still to represent in this House of Commons. The people of that constituency are more interested than those in ridings to the right or left, but in common with all the people of Toronto they are interested in getting to this beauty spot across the bay.

What is the use of talking of allocating the amount of this vote to a housing scheme? The hon. member for Charlotte (Mr. Ganong) who is chairman of the housing committee presented a most excellent report with which this house will be called upon to deal. That predicates a housing scheme taken by and large, not one applicable only to the city of Toronto. How can Toronto expect special treatment in regard to slum clearance and housing when the whole dominion is crying for it, when any scheme must be general and fair to the east and west as well as to the centre? We cannot hope for that.

My hon. friend suggested the construction of a court house. Who ever heard of the dominion government spending money in order to build a court house, which clearly comes within the sole jurisdiction of another authority? My hon. friend from West Middlesex (Mr. Elliott) said we had run along for twenty-two years without this tunnel. That is quite true, and it is quite possible that we could run along for another twenty-two years.

Mr. ELLIOTT: I was just quoting from a newspaper which supports my hon. friend very strenuously, the Ottawa Journal.

Mr. GEARY: Yes, quoting it with approval and adopting the language as your own, I take it. It is quite true that we have run along for twenty-two years, but the matter has become more urgent all the time. We might run along for another twenty-two years, but this is the opportune and proper time to carry out the work. Why should there be delay when the money is offered to us by the government, to be spent in the city of Toronto? My hon. friend makes a point of the airport. I am quite willing to agree with him on that matter; I am quite willing to say that this will be of great advantage to the city of Toronto, inasmuch as it will connect the mainland and the city with the airport. That airport is an actual thing at the moment, although at present it is devoted only to seaplanes. Toronto must have its airport, and according to the best authorities this is the proper place for it.

For twenty-two years at least, to my knowledge, the idea has been held that there should be access to the island around the lake shore, both from the western and the eastern channel, and I say the time is opportune to provide that access. The dominion has made a solemn agreement to construct this undertaking, so why should we refuse the offer of the government, one party to the agreement, at this time?

I do not desire to repeat arguments that have been advanced already. Let me say in summing up that twenty-two years ago the dominion entered into a solemn bargain to construct this undertaking. We are still bound by that bargain, and now the dominion says it will implement the agreement and do its part. As I say, this is an opportune time, because we can spend from $780,000 to $1,000,000 for direct labour in the city of Toronto. It is true that this tunnel will connect one part of the city of Toronto with the rest of the city, but this is a harbour. The city of Toronto could have operated its little ferry boats across this gap had it chosen to do so, but the requirements of the harbour navigation prohibit anything of the kind. The harbour authorities knew that shipping would be interfered with if a fleet of small ferry boats should be operated across that gap, and they decided that they could not operate the entrance properly with any such disturbance of navigation.

I need not go into the question of cost, because the tunnel will cost about the same as the bridge which the government agreed to construct. One point I should like to make, however, and which I urge upon members of this house, is that this undertaking is designed to help the common people of the city of Toronto reach a part of the city to which they are denied access at the present moment. This is the most beautiful part of the city, I think, during the summer months; it should be a playground for the people but now it is reserved for the few. Those of us who are anxious to see that the common people get all that can be given them are most anxious that this item should pass. It will not be money wasted; it will be money well spent, and for many reasons this is an opportune time to proceed with the work.

Mr. SPENCE: Mr. Chairman, as another Toronto member I want to apologize for rising, because I think perhaps enough has been said from this side of the house. I do not see why this item could not have been put through in five minutes, nor do I see why it should have been opposed as it has been by the ex-Minister of Public Works (Mr. Elliott). The hon. gentleman says he has supported many things for Toronto, but I never noticed that although I have watched his career ever since he has been in this house. The hon. member for Toronto South (Mr. Geary) has expressed my views and put forward many of the arguments I was going to put forward, so I need not repeat what he has said. The hon. member for Toronto West Centre (Mr. Factor), however, does not know what he is talking about when he makes the statement that the city council of Toronto are not behind this proposal. I have information to the contrary, and I think it will be found that the city council of Toronto are almost unanimous in their support. At the most I believe there is only one member against it, but one swallow does not make a summer. I must say that if other public men were as small as the hon. member for Toronto West Centre the city of Toronto to-day would not be much bigger than Newmarket or Aurora. I have

just had laid before me editorials from all the Toronto newspapers in support of this project. I do not want to read them; I do not want to take up the time.

I believe men who are elected by the people should have a vision of the future, but sometimes the vision exhibited in this house is not very great, even in connection with the development of a greater Canada. I remember that when I was a member of the city council of Toronto there were some public men who were very small, and I advanced the same argument then that I brought forward to-day, that if it depended on such people the city would not be bigger than Newmarket or Aurora. But that is not the class of men who build up. I have been behind every public development in Toronto since 1890, and particularly since I entered the city council in 1910. I was with my good friend from Toronto South on the first inspection made by the harbour board, in 1912, and I may say that the present consulting engineer of the harbour board is the gentleman who was chief engineer at that time. I believe he has made a splendid job of the Toronto harbour, and I think that harbour should be given credit by all Canada, and particularly by the province of Ontario, for the developments that have taken place. In Toronto harbour we have the third largest tonnage in Canada to-day. Montreal is first; Vancouver is next and Toronto is third, unless it happens that Saint John gets a few boatloads of wheat. I believe Toronto should be given some encouragement.

The agreements entered into in 1912 and 1913 between the harbour board, the city of Toronto and the government dealt with bridges. There was some diversity of opinion at that time, because we had people like the hon. member for Toronto West Centre, who had friends on the island who wanted to keep the island for themselves. The opposition to this tunnel comes from a very small minority, probably not more than five per cent of the people of that city. One hon. member quoted me as having said that there would be no maintenance cost in connection with a tunnel, while there would be in connection with a bridge. I did not say anything of the kind; I said the maintenance of a tunnel to the island would not cost nearly so much as the maintenance of a bridge. The tunnel will cost $1,000,000 to construct, while the bridge will cost $800,000 or $900,000. The bridge will have to be of steel construction; it will be an inconvenience all the time it is there, and after forty years it will have to be replaced. That is why Toronto has not been agitating for the construction of a bridge. Many of us saw that it would be foolish to put a bridge there, because of the traffic through the western gap, which has greatly increased in the last few years. It must be remembered that the western gap has been dredged through solid rock to a depth of 27 feet; that is why our business has increased. The eastern gap cannot be dredged; it is sand bottom, which fills in again. The western gap always will be deep enough to accommodate any ships that come through the Welland canal.

I hope the members of this house will see to it that Toronto gets a fair deal. The ex-Minister of Public Works said this project would not provide any labour, but I say he is wrong, and I think I know more about it than he does. I have been behind the construction of many bridges and hundreds of miles of roads, and I know how labour enters into the construction of these undertakings. This job will provide more labor in the city of Toronto than would be provided by any other job. There has been talk of a court house. Why should the dominon government build a court house there? I believe we must have this airport, to keep pace with the cities of the United States. Take a trip to that country and see the beautiful airports they have established. We need this airport to provide another link in the chain of airports which it is proposed to build from Halifax to Vancouver. It must be remembered that at the present time seaplanes are travelling between the north country and the city of Toronto, and they must have accommodation where there is water. Why not bring the airport there too, and have them both together? The airport on Dufferin street is about six or seven miles from the centre of the city, and the one now suggested would be much more convenient. I fully realize that after the tunnel is built the city of Toronto will have to spend money, but the maintenance charges will be nothing compared with the original cost of the work.

Aeroplanes now coming to Toronto do not land under favourable conditions, and particularly is that so when weather conditions are not favourable. I have never been in an aeroplane in my life; I have not enough nerve to ride in one, but I know that the conditions in Toronto should be improved. The proposed airport would be of a first class type; it would be up to date and probably one of the best on the continent. That is the way Toronto builds. Toronto spends money in development, and for that reason I suggest the vote now before us should have support.

I hope hon. members in the corner of the chamber, belonging to the third party, will see their way clear to lend their support. It ill behooves any hon. member—the hon. member for West Lambton (Mr. Gray), or any other hon. member—to rise in his place and knock any improvement for the city of Toronto. I would depend on the support of the hon. members of the third party rather than the support of the hon. member for West Lambton. It is ridiculous to observe how members from western Ontario knock the city of Toronto. I do not wish to read editorials, nor is it my desire to take up further time, but I do hope the house will delay no longer in the matter and will proceed to give Toronto the square deal it deserves.

As the hon. member for East Toronto (Mr. Church) has said, that city has spent millions of dollars on improvements, but it receives no encouragement. I shall not talk about what we receive, nor shall I go into detail about the money voted for the port of Montreal. I realize it is an ocean port, and I would add that hon. members have never heard representatives from Toronto kicking about expenditures made in Montreal. Further, we are not getting this million dollars for nothing; it is to be spent to give relief, and will not be wasted. We will be building for the future. More than seventy per cent of the money will be spent for labour.

Mr. MULOCK: Mr. Chairman, the hon. member for Toronto Northwest (Mr. MacNicol) has stated that this expenditure is to be made upon the western entrance to Toronto harbour. If he will look at the front page of the bill he will see that it is "an act to create employment by public works" and so on. Hon. members on this side of the house are not opposing expenditures in the city of Toronto; in fact I regret the government has seen fit to make provision for only a million dollars in the proposed expenditures. If the money were to be expended upon some sort of useful work I would be quite willing to support it.

Mr. SPENCE: The same kind of bunk.

Mr. MacNICOL: Where does the hon. member stand?

Mr. MULOCK: Before I take my seat I shall make quite clear my position in the matter. We are asked to vote $1,000,000 for the building of the tunnel. In addition the city of Toronto will have to pay $119,000 on the tunnel; the air field, which is said to justify the project, will cost in the neighbourhood of $305,000, and the filling of the lagoon will cost another $186,000. May I remind hon. members opposite, and particularly the hon. member for South York (Mr. McGregor), that when dredging was done on other occasions great difficulty was experienced around Scarborough Bluffs in connection with the sand coming away and the cliffs crumbling. I hope if this project is proceeded with that some other method will be found to fill the lagoon.

When the work is completed it will have cost about $1,607,000. I agree that at the present time it will give some employment, but after the expenditure has been made we are told it will give employment to only five people. If we are to pass measures giving employment to such limited numbers I do not believe the expenditures will go very far towards relieving the present conditions.

Mr. SPENCE: The government is not spending $1,600,000; the city of Toronto is spending all over a million.

Mr. MULOCK: Yes, the city of Toronto would be called upon to pay that.

Mr. SPENCE: Please do not mislead the house.

Mr. MULOCK: If the hon. member had been paying attention he would know that I made it quite clear.

Mr. MacNICOL: And more than five people will be employed.

Mr. MULOCK: We received the information that five people would be employed at the port. I wish it understood that in that connection I am not referring to the construction work, because I previously stated that work would afford employment to many men. In the opinion of hon. members on this side however, more useful work could be done. There is no use saying that we are trying to block the expenditure of this money in the city of Toronto, because that statement would not be correct. We are quite satisfied to see money spent in that city, if it is spent for useful purposes. If the government would see fit to use the money for slum clearances hon. members on this side would support the expenditure of a million dollars, or even a million and a half. Unfortunately hon. members opposite take the attitude that because we contend the building of the tunnel is not justified and is not a proper project, we are opposed to spending money in the city of Toronto. That is not a true representation of our position.

Mr. SPENCE: Would you vote for a Newmarket canal to pump the water up the hill?

Some hon. MEMBERS: Carried.

Mr. HEAPS: Before the vote is carried I should like to speak to another point quite apart from the building of the Toronto tunnel. I speak about the providing of employment and the manner in which it is being attended to in some parts of the country. I have before me a communication the contents of which I wish to place before hon. members. I realize that when a party is in opposition it is most virtuous—and I believe that observation would apply to all parties.

Mr. LAPOINTE: What about your party?

Mr. HEAPS: We are of the opposition. Upon several occasions the question of patronage has been discussed, and as a rule it has been raised by members of the opposition. From my seat this afternoon I again raise the question of patronage and direct the attention of hon. members to the manner in which work is being provided under the government's relief scheme.

I have before me a communication from the city of Calgary. This communication comes from the carpenters' union, one of the largest unions in the city of Calgary, and in it we find the complaint that in connection with the construction of the barracks in that city work is being given to men who are practically nominated through channels which ought not to have control of the providing of the work. I should be pleased to hand the communication to the Minister of Public Works but I must observe that a statement should be made by the minister here and now to the effect that in giving work on these public undertakings no political interference is allowed.

Mr. GRAY: Has the hon. member read the amendment I moved immediately prior to the adjournment?

Mr. HEAPS: I am sorry to say that I was not in the house upon that occasion. The communication before me comes from a responsible labour organization, and in it the complaint is made that a person has to have certain political credentials before his name is placed on the eligible list of those entitled to work. That condition should not obtain in any part of Canada. I do not know whether or not the Minister of Public Works is aware of such a condition, but I believe it is common knowledge that in many quarters certain political influence is necessary before men are allowed to obtain work on the relief undertakings. That to my mind is one of the bad features of political life. A few years ago when the Conservative party were in opposition they claimed that men who wanted to get work on the Rideau canal relief works had to apply through certain officials of the party then in power before they could obtain work, and I remember the howl that came from the Conservative party. To-day of course the situation is reversed and there is no howl from the Conservative party in regard to providing work. I do hope that the Minister of Public Works from his place in this house will state definitely and most emphatically that so far as he and the government are concerned they will use every means in their power to prevent the unemployment situation being used as a political factor to provide work for the men who are unfortunately out of work at this time. I would like a statement from the minister before the item carries.

Mr. STEWART (Leeds): Mr. Chairman, I have no hesitation in discussing the subject that has been raised by my hon. friend. It is one of difficulty and one that has given the department a good deal of concern. The department does not desire that in the carrying out of these works there should be discrimination on any ground whatever. In some cases, as my hon. friend knows, the work is carried out by contract and the employment of the labour upon the work undertaken is to a large extent under the control of the contractor. I think my hon. friend will agree that the government cannot in a case of that kind dictate to the contractor whom he shall employ.

Mr. HEAPS: May I ask who provides the contractor with lists of names?

Mr. STEWART (Leeds): It is not the government that provides them. I do know that the contractors in some cases get lists from various sources. They get them from unemployment agencies, from churches, from returned soldier organizations, from Daughters of the Empire, and other bodies. The fact is that a contractor is simply swamped with applications for employment. The government leaves it largely to the contractor whom he shall employ, with this reservation, that we stipulate in our contracts that he must employ a reasonable quota of returned soldiers and local labour where it is available and competent. That is as far as we can go, I think, in reason with the contractor. If we go further, then the contractor has the right to make a claim for extras or anything else if you are going to dictate to him just whom he shall employ.

As to the work at Calgary that my hon. friend refers to specifically, that is under the control not of this department but of the

Department of National Defence; but I do know that the government has no policy of discrimination and that it does not dictate or control in the matter of those who shall be employed on these works. It is not done through political channels, and it does not meet with the approval of the government if it is. But we do meet with this situation, that sometimes where friends of the opposition have been in control in a province, the complaint has been made that a Conservative cannot get work there at all, and these people come and argue that because they have been deprived of that work they should be given work by this government. We often get that complaint.

Mr. EULER: Mr. Chairman, when this item was under discussion last month I made some objection to it, and I did so for one reason only. It was that I felt that this amount of $1,000,000 could be expended to much better advantage in the city of Toronto than for the purpose which is indicated here, the building of a tunnel from the mainland to the island. I am confirmed in that opinion, despite all that the hon. members on the other side have said as to the unanimity of opinion in the Toronto city council, when I find it stated in the Toronto press, and I do not think they are all incorrect, that at least one very prominent member of that council, a controller of long experience, stated exactly what I said in this house over a month ago, that he thought the money could be expended for unemployment relief in much better ways than by building a tunnel to the island.

One other reason, and it was voiced I think by the hon. member for Antigonish-Guysborough (Mr. Duff) before the recess: Certain things fall strictly within the category of municipal obligations, while others are within the category of national obligations, and it does seem to me that the building of a tunnel entirely within the city of Toronto, if it is desirable, should be paid for, to put it bluntly, by the people of Toronto rather than by adding to the general taxes upon the Canadian people. I am confirmed in that opinion not only when I find it stated here that there is disagreement in the city council with regard to the matter, but when the members themselves from that great city do not seem to be agreed as to the propriety of carrying out this work.

Mr. SPENCE: The hon. member should not make that statement. He has no evidence of that at all.

Mr. EULER: I have the evidence from the paper that I am sure my hon. friend reads every morning.

Mr. SPENCE: Never mind the paper. Make your own statement.

Mr. EULER: My hon. friend has had his say, and he may have another one if he likes later on. I named the Globe when I referred to this matter a month ago.

Mr. SPENCE: You quoted the Globe, but it was not the Globe that was speaking at all.

Mr. EULER: I quoted an editorial from the Toronto Globe which stated that both the tunnel and the ferry were not required, that either one or the other was unnecessary, and that already a contract had been made for the providing of a ferry to do the work that is supposed to be done by this proposed tunnel. Now I read in the news columns of the Mail and Empire that Controller McBride is very definitely opposed to the construction of this tunnel. How are we supposed to get our information? I cannot sit in at the meetings of the Toronto city council, but I take it that the Mail and Empire is correct when it reports Controller McBride of Toronto as being opposed to the construction of this tunnel.

Another point I should like to bring out—and it has been brought forward as a very important factor in this question—is that the federal government many years ago committed itself to the construction of bridges over both the eastern and the western channels. I think I am correct in that. It is said now that the tunnel is to be a substitute for the bridges. Now I read this report in the Mail and Empire of Saturday of a meeting that was held at which the Toronto members were present; and the consulting engineer of the harbour commission, Mr. Cousins, is reported as follows:

> He (Mr. Cousins) assured Mr. Church that the city and harbour commission, if it accepted the tunnel as a substitute for a bridge over the western channel, would not in any way be abrogating or surrendering its rights under the old agreement whereby the government is obligated eventually to bridge both the eastern and western channels.

According to that, the city of Toronto is not going to accept this tunnel as a substitute for the bridges mentioned in the contract many years ago, but they will get the tunnel and then later on they will come along and ask for the bridges as well. I throw that out as showing somewhat of an inconsistency.

Mr. SPENCE: That statement is not true. I was at that meeting.

Mr. FACTOR: So was I, and it is true.

Mr. EULER: We who are not residents of Toronto cannot be in attendance at their council meetings, and surely we are justified

in depending somewhat on the newspapers of that city to tell us what actually goes on. There is no question in my mind that both Controller McBride and Mr. Cousins said something very similar to what I have quoted from this paper to-day.

I do not desire to take up any more time. My opposition, such as it is, is twofold. First, I believe that this money could be expended to better advantage at this time than for the construction of a tunnel, and, second, if it is a good thing for the city of Toronto, I am of the opinion that it becomes the duty of that city to provide the tunnel rather than to have it provided out of taxes paid by the Canadian people.

Mr. CASGRAIN: I should like to refer to the statement made by the Minister of Public Works (Mr. Stewart) in connection with patronage. The minister has outlined the policy which he states has been followed by his department. I do not know whether that policy is followed only in Ontario; I know it is not followed in the part of the country from which I come and especially in the district which I represent. I want to say quite plainly that in the construction of public works since this government has come into power, more especially last year and this year, only friends of the Conservative party could obtain employment. I refer particularly to certain works at Pointe au Pic.

Mr. SPENCE: That is absolutely wrong.

Mr. CASGRAIN: In order to obtain employment a man must be recommended by the gentleman who is to be the next standard bearer of the Conservative party. I should like the minister to tell me if a different system is in use in Ontario and other parts of the country. The same procedure was carried out in connection with works at Ste. Anne de Beaupre. Only those who worshipped at the altar of my hon. friends opposite were able to get a few days' work.

Mr. HEAPS: Mr. Chairman, I should like to say a word or two in reply to the Minister of Public Works (Mr. Stewart). I am not altogether satisfied with the statement he has made. He seemed to imply that in certain parts of the country only Liberals could get work.

Mr. STEWART (Leeds): I said that that was the complaint made to us.

Mr. HEAPS: We now have another complaint that only friends of another political party can get employment. Two wrongs do not make a right, and I do not think we can argue on that basis. I contend that any form of political patronage in providing work to those who are unemployed is absolutely wrong and cannot possibly be defended by any hon. member. No matter where the works may be located, there should be no patronage in connection with the providing of work. The party in power, whether federally or provincially, is the only party which can put a stop to this practice. I have always been in favour of no patronage in connection with the granting of contracts and the providing of employment. I should like to read an extract from a communication received from the United Brotherhood of Carpenters and Joiners of America, local union No. 1779, at Calgary, Alberta, as follows:

> Contractors opened lists for the carpenters who had worked for them at various periods, and many workmen hoped that after waiting many months for the work to begin, at least they would be able to get a few days' employment. Now we are to understand that the only hope of ever getting work on the barracks job is when his name is on the approved list which is furnished to the contractors.

The minister has said that these lists might be furnished by the Daughters of the Empire, churches and other organizations, but he did not say that they might also be furnished by the political party in power. The communication continues:

> The members of local 1779 request that when parliament is opened a protest be vigorously made against the practice of using this patronage list as it is debarring carpenters who are loyal and have been citizens of this country for the last twenty-five to thirty years, also a large percentage of the members being ex-service men. Owing to this approved list being used certain carpenters are being given employment by the various contractors on the scheme, thereby making it impossible for others to get employment.

I think that statement is fairly definite. It is quite true that this particular work does not come entirely within the jurisdiction of the Department of Public Works but I assume that what applies in this instance will be applicable to other public works being undertaken by this country. I wish the minister would be explicit in answering this important question. I feel we are only aggravating a problem which has been a sore spot in the political life of this country for many years. It would appear that men who have lived in Calgary for twenty-five or thirty years, men who have served overseas, are being discriminated against because they happen to be members of a trade union and their names do not appear on an approved list. The minister was careful to make the statement that he objected strongly to such lists being given to contractors no matter

from what source they came, but I wish he would be more explicit and state that he objected to lists being provided by any political party. I have no objection to semi-public organizations or churches providing contractors with lists of eligible members, but I do object strongly and always have objected to lists being provided by political parties.

Mr. QUINN: Are these men not entitled to work?

Mr. HEAPS: Yes, but through the proper channels. The contractor should have the privilege of choosing his employees and this should be done on a fair and proper basis. After all is said and done, a political party does not gain by such practices and no hon. member can defend them either in or out of the house. I say they should be stopped. We are on the verge of providing vast sums of money for the construction of public works and I should like the minister to state in no uncertain terms that he will raise his voice and the voice of the government to put an end to this practice so that a man in need of work will not have to obtain it through a political organization.

Mr. KENNEDY (Winnipeg): I should like to refer briefly to the point raised by the hon. member for North Winnipeg (Mr. Heaps). I could not help but wonder while he was speaking whether the charge he makes was founded on knowledge or fact or simply upon the letter from which he quoted. There is a large number of unemployed in Winnipeg and I think my hon. friend is well informed as to the method that is adopted in placing men on the different works being constructed. At the present time there is approximately $3,000,000 worth of buildings under construction in Winnipeg, and so far as I know there is no system of political lists or political influence in connection with the employment of men. I have made it my business to keep in close touch with this matter because it so happens that the whole $3,000,000 is being expended in my constituency. I take no special credit for this as it happens that my constituency is situated in the heart of the city in which the works are being constructed. I am constantly in touch with it, and even if I did not seek to keep in touch with it there are sufficient unemployed to oblige me to do so.

The circumstances are these. The buildings are erected under contracts let by the government after public tenders have been invited and in each instance the contract is let to a reputable firm submitting the lowest tender. The government exercises no control whatever as to who shall be employed on these works. When a contractor gets a contract for the work it is his responsibility to carry out the work in accordance with the plans and specifications and to a degree of workmanship which will pass the architect in charge of construction; apart from the supervision by the architect the government exercises no control whatever so far as the personnel of those employed is concerned, with this reservation, that in all contracts there is a specification to the effect that the contractor shall employ a reasonable quota of ex-service men. That is the only reservation.

With a view to seeing that that provision was carried out in spirit, I made it my business as soon as the works were undertaken to communicate at once with all ex-service men's organizations in greater Winnipeg, in order to obtain from them a list of needy unemployed ex-service men. I also asked them not to confine the list to membership in their organizations but to include all ex-service men who were in need of employment. These lists were made up by the organizations themselves from such sources as were available to them, and these names were supplied to the contractors. So that a contractor could not say, "I did not know whom to employ in the carrying out of that provision of the specifications." I can say this and say it very frankly and truthfully, that there was no question at all about the politics of returned men. If a man was an ex-service man in need of work he qualified. Thousands of names were submitted to me and I can say to the hon. member for North Winnipeg that no question was asked nor any information sought as to the politics of any man. These lists were placed with the contractors in order to put them in a position to carry out the spirit of the contract. Apart from that the contractors employed their own men and they are responsible for carrying out the works according to plans and specifications to pass the architect. They employ their own men. But with a view to seeing that those really in need of work obtained employment as far as possible, representations are made to the contractors from time to time by various organizations, by the federal representative on unemployment relief and by other agencies in the city of Winnipeg, all non-political. If the practice which has been indicated by the hon. member for North Winnipeg prevailed to any large extent at this time, surely it would come to our notice in the city of Winnipeg. I say that it does not exist.

Mr. HEAPS: I accept the explanation of my hon. friend. I have never made any

complaint regarding the way in which things are done in Winnipeg. I say that in all fairness to the hon. gentleman and in fairness to the manner in which matters have been conducted in connection with the granting of employment. I based my whole statement on the communication I have received and I put that statement before the house, with the name of the organization that sent it and the one that signed it, a very large and responsible organization in Calgary, and I do not think there can be any doubt about the correctness of it. I believe that certain statements have been made in this house in regard to other parts of the country and have gone without refutation. What I plead for is that where the practice prevails under which men who are out of work find it necessary to pass through any political organization that practice be stopped as soon as possible. It is a bad practice; to use an expression which has been used in this house before, it is a vicious principle. I know that complaints usually come from parties in opposition, but so far as Winnipeg is concerned we have done fairly well in this regard; we have not asked men out of work what their political affiliations have been or are at the present time. I trust that the minister will state from his place that where the practice prevails—I do not say that he has knowledge of it—it will be stopped once for all.

Mr. GRAY: I hope that before this carries we shall discuss an amendment which was moved on April 17, which deals to some extent with matters mentioned by the hon. member for Winnipeg South Centre (Mr. Kennedy). I presume that the committee will complete the schedule before discussing clause 2 as a whole. I wish to express again my objections to the vote of $1,000,000 for the Toronto tunnel. It has been suggested this afternoon by some hon. members opposite that those of us who oppose this vote oppose it because it is for Toronto. It is not because it is for Toronto but because we are surprised that the city of Toronto cannot find a better purpose for the money.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. GRAY: When the committee rose I was calling attention to the fact that members on this side have been criticized for opposing this vote, and it was suggested that they were opposing it because it was a vote for the city of Toronto. If hon. members will read the statements made from this side of the house on April 17 they will see that we emphatically stated that we were criticizing this vote not because a million dollars was being allocated to the city of Toronto for a public work as an emergency measure, but because we felt that the city of Toronto, the second largest city in the Dominion of Canada, could surely find works more essential than a tunnel proposition involving that expenditure. One has only to review the reasons that have been given to this committee by various hon. members from the other side to realize how far apart even members from the city of Toronto are to the reasons for including this item in this bill and I might include in that the minister who is in charge of the bill. The minister has stated that this vote is in satisfaction of an obligation entered into many years ago. Upon investigation we find that if there is an obligation at all it is to build a bridge, and the need for that has been done away with. Furthermore, according to the Minister of Public Works we are to vote a million dollars in respect of an obligation entered into some twenty-two years ago; certainly, therefore, there is no emergency about it. Nor should there have been any secrecy about it, certainly not the secrecy in regard to this whole project which I shall endeavour to show has prevailed as concerns not only members of this house but also the Toronto city council.

What does the hon. member for Toronto-Scarborough (Mr. Harris) say? He says that the key to the whole situation is the airport. We must develop this airport, he says; it is one of the great airports of this continent. That is borne out by what has been said in the press and elsewhere by the chairman of the Toronto harbour commission. The hon. member for Toronto Northwest (Mr. MacNicol) is not much concerned with the question whether it is an obligation or an airport; one would almost take it that he would not be concerned about it at all; so long as it is a Tory vote he would vote for it. But his main suggestion is: We are going to undertake this work, not to develop an airport or to fulfil an obligation but in order that the people of Toronto may enjoy this island resort and take their picnic baskets there. If his speech meant anything that is what it meant. I suggested, and hon. members criticized me to some extent for it, that this vote instead of being for the purpose of building a tunnel should have been for the purpose—not limited necessarily to a million dollars—of starting the necessary work of slum clearance in Toronto. My hon. friend

the member for Toronto Northwest said: We have only this vote to consider, and we cannot consider any other; we cannot consider slum clearance, for that is not under debate. I grant that what we have before us here is a vote of a million dollars for a tunnel. When this bill was introduced on April 15, 1935, this house did not have the report of the housing committee, but it did have sufficient evidence of what had taken place before that committee. If hon. members will read the evidence taken before the special committee on housing they will find that the committee decided, I think without dissent, that slum clearance would have to be introduced as a federal aid measure.

It is not the kind of thing that can be done in cooperation with private enterprise or for which you can get private funds; it has to be undertaken by the federal government, in cooperation perhaps with the municipality or the province. As I pointed out on April 17, the legislature of Ontario introduced a bill permitting the municipalities to treat some slum clearance as a relief measure. Hon. members on both sides of the house had in their hands on April 15 when this bill was introduced the Bruce report. Again I am going to read a paragraph of that report dealing with slum conditions in the city of Toronto. I know the hon. member for Toronto Northwest is sincere in his desire to better the condition of the people of that city; I know that all hon. gentlemen who represent Toronto are sincere in that desire. But when they speak of contributing to the happiness of the people by enabling them to get to this island by means of a tunnel, let them read what Hon. Doctor Bruce said in his report concerning slum conditions in Toronto. Remember that this report came out long before the hon. member for East Toronto (Mr. Church) introduced his motion to set up a special committee on housing; it was in the hands of hon. members before this session commenced. On page 115 of the report we read:

> Our survey of Toronto housing conditions reveals that there are thousands of families living in houses which are insanitary, verminous and grossly overcrowded....
>
> Bad houses are not only a menace: they are active agents of destruction. The committee is satisfied from its investigations and inquiries that they destroy happiness, health and life. They destroy morality and family ties. They destroy the basis of society itself by their destruction of self-respect and their promotion of delinquency and crime.

I ask the hon. member for Toronto Northwest, if as he says we are considering only this particular item—and I agree it is the item now before us—whether before this item was placed in Bill No. 63 he was consulted as to what he considered the most essential measure to be introduced to relieve unemployment in the city of Toronto.

Mr. MacNICOL: May I answer the hon. gentleman's question?

Mr. GRAY: Yes.

Mr. MacNICOL: The vote now before the committee calls for $1,000,000. If what the hon. gentleman now suggests, namely slum clearance, had been considered by the government, the vote would not have been for $1,000,000; it would necessarily have had to be for many millions of dollars, because land purchase alone in the downtown areas of the city would consume that amount and there would not be a dollar left for building.

Mr. GRAY: I am sorry I did not make myself clear. I repeat that this bill was introduced on the 15th day of April. The report of the housing committee was considered in camera, and certainly at that time my hon. friend did not know what that committee would report. But whether or not he knew that, at the time this bill was introduced and prior to that time, even prior to the allocation of $1,000,000 for a tunnel between Toronto mainland and Toronto island, was my hon. friend consulted and did he recommend this as the most essential work for the relief of unemployment in the city of Toronto?

Mr. MacNICOL: The matter was discussed with the Minister of Public Works.

Mr. GRAY: The hon. member is not going to get away with that. Did he recommend it?

Mr. MacNICOL: I recommended it to the Minister of Public Works, yes.

Mr. GRAY: This afternoon the hon. member for South Toronto (Mr. Geary) said it did not matter whether he saw it on Monday or Wednesday, whether it was on wash day or on ironing day. Was the hon. member for South Toronto consulted as to what were the most essential works that could be undertaken for the relief of unemployment in the city of Toronto, and after due consideration did the hon. member for South Toronto recommend this as the most essential work to which this money could be devoted?

Mr. GEARY: I am not speaking; I do not propose to be catechized by anyone in this house.

Mr. GRAY: Will the hon. member for Parkdale (Mr. Spence) say whether or not he was consulted?

Mr. SPENCE: I have made my speech. I am not going to answer.

Mr. GRAY: Here we are asked to vote $1,000,000. Someone has said it is only a small amount, yet hon. members from the city of Toronto will not say whether or not they were consulted in any shape or form. Are they proud of it, or are they ashamed to say whether or not they recommended this amount prior to the time it was placed in the estimates?

Mr. SPENCE: We do not have to confess to you.

Mr. GRAY: I know one member who, I am sure, is not ashamed and who will say whether or not he was consulted. In my opinion he was, because he knew a good deal about this matter on April 17. I will ask the hon. member for Toronto-Scarborough if he was consulted and if he recommended this as the most essential measure for the relief of unemployment in the city of Toronto.

Mr. HARRIS: I am on record.

Mr. GOTT: Get on with the burlesque.

Mr. GRAY: If it were a case of burlesque I would take my seat at once and allow the hon. member for South Essex (Mr. Gott) to carry on. I think it will be found that the hon. member for Toronto-Scarborough did not make any statement in that regard. If the truth is known I do not think one of these Toronto members who now come forward and ask us to support this item was consulted at all. I believe their first intimation of such a vote was when they read it, as the rest of us did, when the bill was introduced on April 15.

An hon. MEMBER: Amen.

Mr. GRAY: Yes, it will be amen for a whole lot of you. If this is the case with the representatives of the city of Toronto in this house, what about the municipal representatives? We find that this measure was discussed informally for the first time by the controllers of the city of Toronto on Tuesday, May 14, and that at that time Controller McBride and others complained that they had not been consulted before this item was included in this bill. Was there any reply by any elected representative of the people of that city? There was not. The reply was made by the chief engineer of the harbour commission, who said, "This is the way I do things. I go to Ottawa and find out what they will do, and then I come back and place my plans before you." But he did not even do that; this item was included in this bill before the controllers or any other representatives of the city of Toronto knew of it.

Mr. HARRIS: Would my hon. friend permit me to interrupt him? I am quite sure he wants the correct information. Under date of June 1, 1929, plans and specifications were submitted recommending the establishment of this airplane and seaplane base in the northwest section of Toronto island immediately south of the western channel. They recommended that this airport be developed progressively and passed a recommendation authorizing the expenditure of $1,000,000 thereon.

Mr. GRAY: I am sure the hon. member for Toronto-Scarborough does not wish to mislead this committee, either. Was that done by the controllers of the city of Toronto or by the harbour commission?

Mr. HARRIS: The recommendation was made first by the board of control and then by the council.

Mr. GRAY: The hon. member for Toronto West Centre (Mr. Factor) has just handed me the report, and if my hon. friend from Toronto-Scarborough will turn to page 2 he will find in the paragraph from which he was reading, under date of June 1, 1929, that the harbour commission submitted plans and estimates to the city of Toronto. I just asked whether it was the harbour commission or the city.

Mr. HARRIS: The city of Toronto passed the plans.

Mr. GRAY: The whole complaint of the controllers, and especially of Controller McBride, is contained in these words:

> When Controller McBride criticized the commission for not laying its plans before the board of control before making representations at Ottawa—

Mr. SPOTTON: Carried.

Mr. GRAY: They will carry out the hon. member for North Huron (Mr. Spotton) so he need not worry.

> —Mr. Cousins said that it had always been his practice to find out what Ottawa would do and then put his plans before the board for approval.

Here we are faced with the situation that the hon. gentlemen who represent the city of Toronto in this house did not know about this item. I believe if they would speak up they

would say that if they had been given a choice they would not have recommended this as the most essential public work upon which a million dollars could be spent in the city of Toronto. I think the hon. member for Toronto Northwest (Mr. MacNicol), the hon. member for Parkdale, and the others, if they had been given a choice, would have felt that there were more essential things, and that is the criticism from this side of the house.

Mr. MacNICOL: The hon. member for West Lambton (Mr. Gray) cannot interpret for me at all.

Mr. GRAY: Our criticism is that we are not spending the money of the taxpayers of the city of Toronto or of the province of Ontario; we are spending the money of the taxpayers of the Dominion of Canada, and we believe that the elected representatives of any municipality that is obtaining funds from the dominion government should be consulted and should make the recommendation, rather than someone who is not even an elected representative of the municipality in which the money is to be spent. Someone, I think it was the hon. member for Parkdale, said the city council were pretty unanimous in connection with this matter. If I am wrong in my recollection, the hon. member will correct me. According to the Toronto Star of the latter part of last week the tunnel and airport plan was supported by eleven of twenty members of the city council. I presume hon. members opposite will say that is certainly a majority, but I should like to quote the views of some aldermen who supported it. I do not know these gentlemen, but I imagine they are estimable men or they would not have been elected. I find that Alderman F. M. Johnston said:

> About eighty-five per cent of the expenditure on the tunnel will go to labour, and if the government will not give us the money for anything else, I am in favour of it.

What does the hon. member for Parkdale say to that? He is mute. Speaking in this chamber on April 17 I said that one of the penalties we pay as representatives of constituencies is that when money is to be voted for our constituencies we believe ourselves in honour bound to support such votes, whether they be good or bad. My criticism is this—and the government must take full responsibility for it—that apparently hon. gentlemen opposite representing the city were not consulted. It is quite evident this is not the most essential work which could be provided for the city of Toronto.

Alderman McNish states: "I would like to see the money spent on housing." So would I. I shall not delay the committee to any greater extent, but would simply point out that if hon. members representing Toronto are content blindly to support this measure, then of course they must take the consequences. As for the hon. member for Toronto Northwest, who has been weeping for the people who could not enjoy the privileges he has described, I would ask him this question: Would it not be better to give them some of the privileges which Lieutenant Governor Bruce has indicated should be given? Would it not be better for the committee, if necessary by unanimous consent, to transfer this vote? I believe I am speaking for all hon. members of the opposition when I state that we are prepared to increase the amount of the vote if the government would consent to use it in connection with what we consider one of the most essential public works, namely that of slum clearance in the city of Toronto.

Mr. STEWART (Leeds): Mr. Chairman, this afternoon and again this evening I listened with a good deal of interest to the observations of hon. members opposite. I believe I could clarify the situation by directing attention to two or three points. First may I lay down the principle, one to which no hon. gentleman would take objection, that the development of a port such as the port of Toronto is one of national importance. That point was recognized long ago, and in order that the end might be achieved an agreement was made under the provisions of which the city of Toronto by itself or through its harbour commissioners was to undertake and complete certain works in Toronto harbour, and the Dominion of Canada was to contribute its share to this important national undertaking. The provisions were distinctly outlined, and the contribution which the city of Toronto and harbour commission were to make has been made. The contribution the Dominion of Canada was to make has been fulfilled only in part.

In this connection I believe it is necessary to refer only to that part of the undertaking in which the Dominion of Canada agreed to construct a bridge across the western entrance to Toronto harbour. At the time the agreement was made a bridge may have been sufficient, but conditions have changed. To-day it is well recognized that where possible and practicable a tunnel affords a better means of communication than does a bridge. The literal carrying out of the agreement would have involved about the same expenditure as

is involved in the construction of a tunnel, the only difference being that had a bridge been constructed there would have been annual maintenance charges.

Mr. EULER: Does the minister say that because of the building of the tunnel the federal government is relieved of the necessity of some time in the future constructing the bridges?

Mr. STEWART (Leeds): Certainly there will not be a tunnel and a bridge at the same place.

Mr. EULER: That is contrary to the opinion expressed by Mr. Cousins of the harbour board.

Mr. STEWART (Leeds): No, it is not. There is provision for two bridges, one at the eastern entrance and one at the western entrance. Surely my hon. friend does not suggest that when a tunnel serving the same purpose as a bridge is constructed we would be required afterwards to construct a bridge?

Mr. EULER: That is what the engineer has said.

Mr. STEWART (Leeds): I do not think so. I certainly do not so understand it, anyway. A further advantage in favour of a tunnel as against a bridge is that a low level bridge would be constructed, and the traffic would involve the opening of such a bridge at least six or seven thousand times in a year. The construction of a tunnel is much more desirable and would serve all purposes better than would a bridge. Surely hon. members opposite do not contend that the port of Toronto should not be developed or that any agreement made respecting its development should not be observed. This vote has for its purpose the carrying out of the agreement for the development of the port. It has the added advantage that since the development was first considered it has been found that an airport could be located to the west of the entrance, and communications established between the airport and the heart of the city by way of the tunnel. Hon. members opposite seem to think that other means could have been provided for the expenditure of the money, and with that in mind they suggest a housing scheme. Again I say with confidence that a housing scheme must have general application. We cannot select the city of Toronto, and simply say to that city, "So far as you are concerned we are going to have a housing scheme." What right has the dominion to say to Toronto, "We want to clean up your slums." Surely that is a matter which must be considered by the city, in cooperation with the provincial government, and with such assistance as may necessitate as a matter of general policy the passage of legislation by this chamber.

There has been considerable discussion about division of opinion in the city of Toronto as to whether or not the building of a tunnel is desirable. I believe I could end the discussion at once by stating that the government is not going to force the project on the city of Toronto. If through its city council it states, "We do not want the suggested development," then we certainly will not make the expenditure. We will not force the city of Toronto to take any position it does not desire to take. I submit there is no work there or elsewhere which will more literally or substantially comply with the avowed purpose and object of the measure now before us than this work, which will provide an expenditure on labour of between seventy and eighty per cent. The object of the bill is the carrying out of useful works, works which will employ labour and give such employment immediately. I cannot think of any work which could be more readily undertaken or which would employ a larger volume of labour than would the construction of this tunnel. Let me repeat, the object is that of the development of a great port, the satisfaction of an obligation, and speedy provision of employment for a large body of labour.

Mr. EULER: May I ask one other question? Is the building of the tunnel by the dominion made conditional upon the city of Toronto consenting to the maintenance of the tunnel?

Mr. STEWART (Leeds): That will be part of the agreement. If they do not agree to accept that and do not accept the tunnel on those conditions, they do not have to have it.

Mr. CAMPBELL: In other words, they get no money at all if they do not accept it?

Mr. STEWART (Leeds): They do not get any money at all; we build the tunnel.

Mr. CAMPBELL: Suppose they do not accept it on your terms; is provision made under this bill for relieving unemployment there in any other way?

Mr. STEWART (Leeds): We certainly could not apply this $1,000,000 in any other way than the construction of the tunnel.

Mr. FACTOR: Could we pass this vote without allocating it to the tunnel and then conduct negotiations with the city of Toronto and arrive at some agreement?

Mr. STEWART (Leeds): No, that is exactly what my hon. friend's leader and many other hon. gentlemen opposite have objected to. They want to know exactly where the money they vote is going.

Mr. FACTOR: I disagree with the minister, with all due respect. In the motion I submitted to the house, which was ruled out of order, I suggested that the $1,000,000 remain as a vote for unemployment relief and that the government negotiate with the corporation of the city of Toronto in order to agree upon some public work or undertaking which will relieve unemployment. Is it not possible for us to pass this vote without allocating it to the tunnel, and then for the government to negotiate with the corporation of the city of Toronto? If both agree on the tunnel, very well; but if not, can the vote not be allocated to some other work?

Mr. STEWART (Leeds): I do not think anything of that kind has ever been done in this parliament.

Mr. POULIOT: What minister will be in charge of this construction, the Minister of Public Works, the Minister of Railways, the Minister of Marine or the Postmaster General? Here we have a bill, this seven-headed monster, now being piloted through the house by the Minister of Public Works, for whom I have a great personal regard; but I have asked which minister will be in charge of this particular construction. Will it be the Minister of Public Works, the Minister of Marine, the Minister of Finance, the Minister of Justice, the Minister of Health, or some other minister? The minister a few moments ago was speaking of the improvement of Toronto harbour. Is this tunnel part of the harbour? Is the harbour being built underground? That would be a most curious thing, and this is the first time I have ever heard of it.

I would ask another question: How will the money be paid back? What taxation will be imposed on the Canadian people for the building of this tunnel?

Mr. STEWART (Leeds): In reply to the first query of my hon. friend from Témiscouata (Mr. Pouliot), I would call his attention to that section of the bill which provides that these works will be undertaken under the direction of the governor in council and assigned to such minister as may be deemed appropriate.

Mr. POULIOT: But no one knows yet who it will be. That is still a secret of the gods, and that is why I strongly object. We do not know who is going to be responsible. Why is the legislation drafted the way it is? It is because the government is not serious. This money will never be spent. It is just a bait for the electorate, so that the government can say to the people of Toronto, "We will build you a wonderful tunnel," when all that will be done will be simply to remove a small quantity of earth sufficient to bury the defeated Tory candidates. There will be a kind of chapel under the water in Toronto, I suppose. It is most ridiculous, Mr. Chairman. Not only that, but the minister, who is an able man, should tell us how this money will be paid back to the people. What taxes will be imposed on the Canadian people for the building of this tunnel in the city of Toronto? Is the minister in a position to tell us if there is a sinking fund for the building of this tunnel and for all the other construction mentioned in the schedule? I ask him that question now.

Mr. STEWART (Leeds): No, there is no sinking fund provided in respect of any of the items in this bill. These works will be built in the same way as other public works, and paid for out of revenue.

Mr. POULIOT: It is the same old story, this government borrowing money all the time. It reminds me of the man who borrows $2,000 and wants to refund it, so he goes to another bank and borrows $3,000, and pays off the $2,000 that he owes; but still he is in debt and so he goes to another bank and borrows $5,000 and says to himself: I will pay off what I owe the other party. But after he has paid off the man to whom he owes $3,000 he still owes $5,000 to the bank.

Mr. STEWART (Leeds): If my hon. friend can tell me where anybody can do all that he has suggested, I shall be very glad to know it.

Mr. GOTT: Perhaps he wants some money for a new station.

Mr. POULIOT: A new station is more of an asset to the country than the hon. member for South Essex (Mr. Gott). On account of the uproar in the house I did not quite catch the minister's answer to my question. I asked him to let me know how the money which will be spent for the excavation of this tunnel will be refunded.

Mr. STEWART (Leeds): It will not be refunded.

Mr. POULIOT: It is well to know that. That means that the debt of this country will never be paid back by hon. gentlemen opposite. I am surprised to hear my hon. friend the Minister of Public Works, who can be so able in the conduct of his own depart-

ment when he wishes, make an answer like that. Surely he is not serious when he suggests that the money will never be paid back. If so, it means that the debt of this country will never be paid back so long as the Tories are in power, but on the contrary will be increased, as it has been increased ever since they have been in office. That is the answer, and now we know it. But we hope there will be a change of government in the very near future and that the debt of this country will be paid back as it was paid back when Jim Robb was Minister of Finance and when the bills as they came due were met out of the Canadian exchequer. I ask the minister once more, under what department this tunnel construction will come. Next to him sits the Minister of Marine (Mr. Duranleau). He is in charge of harbours. The Minister of Public Works says that the building of this tunnel will improve Toronto harbour. Is the hon. Minister of Marine ashamed to go to the queen city? He should not be, because it is perhaps the only place in Canada where he will find a handful of Tories to greet him on his arrival. As the Minister of Public Works has not answered my question, may I ask the Minister of Marine to drop his smile and kindly tell me if the construction of this tunnel will come under his supervision or under the supervision of the Minister of Public Works. No answer? Is there a doctor in the house to look after the hon. Minister of Marine? May I ask the hon. member for North Huron (Mr. Spotton) to lend the minister his voice in order that I may get an answer to my question, who will be in charge of this work? Will the Minister of Marine be in charge of the construction of this tunnel which we are told is going to improve Toronto harbour? I will sit down and ask the minister to answer my question. No answer? Well, if he is dead, let us bury him. Let us have a procession and accompany his corpse to the city of Montreal. I am not surprised that this government is not alive, for the minister is dead. This is a mortuary chamber. We have a corpse among us. The minister is dead. As the Minister of Public Works has shown some signs of life, may I ask him to answer my question in a very definite way?

Mr. STEWART (Leeds): Perhaps I can satisfy the hon. gentleman by quoting section 5 of the bill, which reads:

> The governor in council may from time to time place the administration, management, construction and execution of any of the works mentioned in schedule A to this act under such minister or department of the government as may be considered most advisable in the public interest.

[Mr. Pouliot.]

Mr. POULIOT: This is rotten legislation; we have never seen anything like it before. I realized that section was in the bill and that is why I asked the minister to give me the information. The members of the government do not know, and it is such a pity to deceive the electorate of the city of Toronto. It is shameful to do this. I know that every sound-thinking citizen of that proud and great city will resent the manner in which this thing has been handled by the government. Even the Tories admit this. It is sad and unbelievable that after the lengthy discussion before the recess and to-day members of the government do not know what minister will be in charge of the construction of this tunnel. This bill is being piloted through the house by the Minister of Public Works, not because he will supervise the work but because he is from the province of Ontario. There is another hon. gentleman from Ontario for whom I have great regard, the Minister of Railways and Canals (Mr. Manion). I ask him if the building of the Toronto tunnel which is to cost $1,000,000 will be under his supervision? No answer. Do my eyes deceive me when I see a smile on his face? I do not hear a sound from his lips, but he must be alive because I see his genial smile. But I get no answer. Will he tell this committee what minister will be in charge of the construction of the tunnel in the city of Toronto, mentioned in the schedule of this bill, to cost over $1,000,000? I will sit down. No answer. I see the Minister of Public Works has left the chamber; apparently he has had enough of this.

I have also great regard for the Minister of Justice (Mr. Guthrie). He does not represent the city of Toronto; he represents the very beautiful city of Guelph. He is an old parliamentarian, one of the deans of this house, and I ask him if he will supervise through the Royal Canadian Mounted Police the building of this tunnel in Toronto at a cost of $1,000,000. No answer. Here comes the Minister of Labour (Mr. Gordon). I am glad to see him; perhaps he has come in to take the place of the Minister of Public Works. Oh, I see the Minister of Public Works has returned. We will soon have the whole cabinet here. I ask the Minister of Labour, who comes from the delightful northern part of Ontario, if he in his capacity as Minister of Labour will supervise the building of the Toronto tunnel which is to cost $1,000,000. I ask him if he will kindly answer my question, and I will sit down.

Mr. GOTT: You do not sit down long enough.

Mr. POULIOT: No answer. I ask the hon. member for South Timiskaming (Mr. Gordon) if in the capacity of Minister of Mines he will dynamite the excavation for this tunnel? Will he tell me if this construction will be under his supervision? No answer. The Minister of Pensions and National Health (Mr. Sutherland) comes from the beautiful city of Woodstock in the province of Ontario. Will he supervise the construction of this tunnel in order that the sanitary conditions may be perfect while it is being built? No answer. They are all deaf. I will leave Ontario now. I ask the Minister of Agriculture (Mr. Weir), who comes from the province of Saskatchewan and who is, I assume, interested in the welfare of this country, if he will supervise the construction of the Toronto tunnel? No answer. I notice the Minister of Justice is leaving the chamber. Probably he is going to see if something cannot be done in this regard. I put the same question to the Minister of Trade and Commerce (Mr. Hanson). He comes from the delightful province of New Brunswick.

Mr. HANSON (York-Sunbury): I think I can do it all right.

Mr. POULIOT: I do not ask my hon. friend if he can do it; I assume he can, but I want to know if he will.

Mr. HANSON (York-Sunbury): No.

Mr. POULIOT: One out. I now ask the Postmaster General (Mr. Sauvé) if he will be in charge of the construction of this tunnel.

Mr. SAUVE: No answer.

Mr. POULIOT: No answer, that is right. That answer shows that the hon. gentleman is at least alive. I ask the Solicitor General (Mr. Dupré) if he will be in charge of the construction of this tunnel. He is a member of the privy council and a full-fledged minister.

An hon. MEMBER: It is too far from Quebec.

Mr. POULIOT: I have asked every minister who is present to-night if he will be in charge of the construction of this tunnel in Toronto. The Minister of Trade and Commerce said he would not and the Postmaster General said "No answer." I got no answer from the other ministers. Not one of them will tell me who will be in charge of this work. I am sorry the Minister of National Defence (Mr. Stirling) is not present, as I have no doubt he is one of the many who will be in charge of this work.

This is the most absurd piece of legislation which has ever been brought down to parliament. The Minister of Public Works has just stated that this money will never be paid back, and this should be a good lesson to those who have invested money in the $60,000,000 loan. The many millions expended by this government will never be paid back, perhaps because they will never be spent.

Mr. BAKER: What is so sad about the whole thing is the valuable and expensive time of this committee which is being wasted.

Mr. POULIOT: I suggest to the hon. gentleman that if his services to his party were more valuable he would be a member of the cabinet representing the city of Toronto. Until he is appointed to such a position I ask him to remain in his seat, and not interrupt hon. members who work harder than he does. I ask him if he is satisfied when no minister has given an answer to the question which has been put to each of them. I wonder if the electorate of Toronto are satisfied with sending my hon. friend here. It has been said that this is a bait to catch votes, and the ministers do not know who will be in charge. They admit that the money will never be paid back—why? Because it will never be spent, and if it is never spent that will be much more useful than if it is spent for a tunnel which will be of no use to the people of Toronto or the people of Canada.

Mr. DUFF: This bill came up on one or two occasions before the house adjourned for the recess of five weeks. It is an important measure, the object being to vote $33,000,000 to be expended in this country, and we are asked to vote this money notwithstanding the fact that in June, 1934, this parliament voted $40,000,000 for unemployment purposes. If that $40,000,000 had all been spent I could understand why we should be asked to vote this $33,000,000; but we are told by the government that up to March of this year only $10,000,000 of the $40,000,000 had been spent. I notice to-day that the Minister of Public Works is getting busier. The nearer we get to the elections the more orders in council will be passed to try to hurry up contracts or the arrangements for the expenditure of the $40,000,000 voted last year. But in view of the fact that, in spite of the horse stables in Calgary and other expenditures contemplated in the bill last year, the government

could spend only $10,000,000 in nine months, I see no reason why we should be called upon now to vote this large sum of money at the present time.

An hon. MEMBER: An election is coming.

Mr. DUFF: I know there is an election and I presume that is the reason. As I said a moment ago, this important bill providing for the expenditure of $33,000,000 came up in this house only about twenty-four hours before the adjournment on April 17, and this particular vote with regard to the Toronto tunnel was brought forward only at the eleventh hour and fifty-ninth minute before that adjournment. At that time very little was said with regard to the reason given to-night for this expenditure—that it is intended to provide an easy access to the airport on the island near the city of Toronto. On the former occasion before the adjournment we were told that the tunnel was necessary in order that the people of Toronto might be able to go to the playground on the island. To-day government members are changing their tactics and we are now informed that the reason for this expenditure of $1,000,000 is the fact that an airport is in course of construction or that it is proposed to construct an airport on this island.

I should like to know from the minister whether this airport is a private matter or a municipal matter, or whether it is proposed to be a federal expenditure. Does it come under the department of the Minister of National Defence? Is it to be built by the city authorities of Toronto or will it be built by private capital? We on this side have been blamed, we were blamed shortly after the adjournment on April 17, for blocking this bill and holding up the expenditure of the money provided for in it. I have under my hand a dispatch from Ottawa sent out by one of the newspaper men in the gallery. It reads:

> The blockade by which the Liberal opposition in the Commons prevented the passage of the government's public works program before the adjournment for the long Easter recess is likely to cost Canadian workers in railway equipment shops several million dollars in loss of wages during the coming season, it is learned to-day in government circles.

I do not know how this gentleman got this information from government circles, but I may say to him or to anyone else who believes anything contained in this dispatch that the members of the Liberal opposition made it quite clear that they were perfectly willing to sit in parliament and discuss the matter, being opposed to the adjournment. And I believe there were a great many members on the other side who were opposed to an adjournment of five weeks from April 17 to May 20. The great majority of the members of the house were opposed to it, and therefore no one has any right to criticize the Liberal opposition for delaying the passage of this bill. It was the government who wanted the adjournment. At half past five on April 17, when he found that there was some information required in regard to one or two of these items, the Minister of Finance moved that the committee rise and report progress. The Liberal members, and Conservative members as well, were willing to sit and have the bill and the schedule properly discussed, so that any moneys which the house deemed it necessary to vote in the interests of the unemployed should be passed upon before the house adjourned for that long Easter recess. I say therefore to the gentleman who wrote this dispatch, which was published all over the country, that it is not fair or decent to try to blame the Liberal opposition on the ground that the passage of the bill has been delayed. He goes on to say in this dispatch:

> The program as originally drawn up contemplates the expenditure of $15,000,000, but the expectation of the government was that the legislation authorizing it would be passed without any delay and an immediate start made possible.

Does the writer of this article think that it would be fair to the taxpayers of this country for this house to pass in twenty-four hours a bill involving the expenditure of $33,000,000? Is it right or fair to the taxpayers of Canada that their representatives in parliament should be denied adequate time to discuss so important a matter? If anyone is to blame for delay in the passage of the bill it is not the Liberal opposition but the government, who wanted the adjournment for special reasons of their own.

With regard to the railway vote—and it is referred to in the dispatch—I think I voice the sentiments of the people at large when I say that as regards a vote for the railways, for the Canadian Pacific and the Canadian National, we are quite willing that, provided proper precautions are taken, the money indicated in the bill should be spent. But we object to an expenditure, whether in connection with railways or any other matter, which will mean that contractors will use steam shovels, as in connection with the Toronto tunnel, while little money will be spent for labour. With regard to the moneys

for the railways, this gentleman is trying to make the railway people believe that the Liberal opposition is opposed to the votes of $9,000,000 and $8,000,000—

Mr. MANION: Eight and seven.

Mr. DUFF: Eight for the Canadian National and seven for the Canadian Pacific Railway. Let me say that so far as we are concerned we are satisfied to have the money expended; but there are railway shops all over the country where railway employees have been on half time and quarter time during the last four years while this government has been in office. If this money is to be spent for railway purposes, instead of giving it to private concerns the railway shops all over the country should benefit from it.

Mr. RINFRET: I wish to say a word about this item, rather to clear my mind than to offer any criticisms. The minister has said that the Toronto harbour is of national importance, which statement I shall not deny, though there is no doubt that it is not of the same character as the harbour of Montreal or the harbour of Quebec. I understand that the Toronto harbour commission is not a federal body but is appointed by the city of Toronto. I understand further that the harbour of Toronto is the property of the city. What I want to know is, does the work of which that million dollars is to be spent become the property of the city of Toronto? When this government spends money in the harbours of Montreal or Quebec, that work remains a federal property under the harbour commission, and the responsibility is federal. But when the government spends money in the Toronto harbour, is that money a pure gift to the city of Toronto? I am not going so far as to object even to a gift, but I should like to have the difference made clear between spending $3,500,000 in Montreal on works that remain federal property under the harbour commission appointed by this government, and spending money on a tunnel in Toronto. Will the tunnel become the property of the city of Toronto? There is certainly an essential difference there. The minister says that Toronto harbour is of national importance, but it has not in the past been treated as such because it is the city's property, while the national harbours are the property of the federal government under a federal commission. Will the minister be good enough to explain the difference between the two situations, and clear my mind as to how the money is to be spent and whether the works constructed are given to Toronto or remain the property of the federal government?

Mr. STEWART (Leeds): Replying to the question of the hon. member for Antigonish-Guysborough (Mr. Duff) all I can say in connection with the airport is that there is no commitment by the dominion government in respect to the development of it. A considerable amount has been spent by the city of Toronto itself—

Mr. DUFF: So it is purely a municipal matter and not a federal matter?

Mr. STEWART (Leeds): I say there is no commitment by the dominion government with respect to an airport there. It may become a matter of policy in the future what contribution, if any, should be made by this government to the development of an airport there.

Mr. DUFF: Is any commitment contemplated by the federal government?

Mr. STEWART (Leeds): I am not saying what is contemplated; at the present time it is not under consideration. It is a matter for the future as to what the policy shall be in connection with the development of airports I should say it will be all the better for the dominion if the city of Toronto is prepared to undertake to build this airport, much better than if they should be coming here and asking for a contribution. Up to the present they have not done so. What may be the policy either of the city of Toronto or of the dominion in the future I cannot say.

Mr. DUFF: How is it a federal matter?

Mr. STEWART (Leeds): The fact that the city of Toronto is doing this itself is an added reason why we should make this contribution towards the tunnel.

Mr. DUFF: Quite the reverse.

Mr. FRASER (Northumberland): Is the tunnel necessary for the airport?

Mr. STEWART (Leeds): It is necessary to the location of an airport in the harbour if there is to be easy, rapid communication with the city to facilitate the transaction of business, the transfer of mails and everything in connection with an airport.

Mr. FRASER (Northumberland): Who told you you could build an airport there anyway?

Mr. STEWART (Leeds): We are not building the airport. That is up to the city of Toronto, if they want to build it.

Mr. FRASER (Northumberland): Then why are you going to spend a million dollars to jump across a creek so that the city of Toronto can build an airport?

Mr. STEWART (Leeds): My hon. friend surely has not heard the debate here to-day.

Mr. FRASER (Northumberland): I certainly have.

Mr. STEWART (Leeds): And he is not familiar with what has happened in the past. We are building this tunnel because we solemnly agreed to do so as our share of the development of the port of Toronto. It was agreed upon as our share that there should be means of communication between the island and the city by way of a bridge. Now, instead of a bridge, with the approval of the city and with much advantage to the development of the port, we are adopting the construction of a tunnel.

Mr. FRASER (Northumberland): By reason of an obligation incurred in 1913 the government is going to undertake to build a tunnel at a cost of $1,000,000 to a prospective airport that the city of Toronto is going to develop. Let me tell the minister that since 1930 this government have broken so many obligations that they do not have to worry about one incurred in 1913.

Mr. RINFRET: My hon. friend has not replied to my question. I asked if this tunnel is going to be the property of the city of Toronto.

Mr. STEWART (Leeds): I shall ask the Minister of Marine to explain the position of the harbour commission, because that is under his department.

Mr. RINFRET: I congratulate myself upon being luckier than the hon. member for Témiscouata (Mr. Pouliot) in that I have drawn an answer from the minister.

Mr. DURANLEAU: I think the hon. member for St. James (Mr. Rinfret) is under a misapprehension when he states that the property of the harbour commission of Toronto belongs to the city of Toronto. All the harbour commissions are separate bodies from the cities in which they function. They have all been incorporated by federal legislation. In some cities, like Toronto and New Westminster, a certain number of the members of the harbour commission are appointed by the city authorities—

Mr. FRASER (Northumberland): How many?

Mr. DURANLEAU: I could not say—I think in Toronto three out of five are appointed by the city.

Mr. McINTOSH: Isn't it three?

Mr. DURANLEAU: Pardon me. That does not change the situation. The harbour commission of Toronto is a separate body from the city and own almost all the waterfront property and improvements in the harbour. So I do not see any material difference between Montreal and Toronto, except that in Montreal the harbour properties are vested in the crown.

Mr. FRASER (Northumberland): The only difference is that when the federal government spend money they require title to the land on which they make the expenditure.

Mr. POULIOT: Taking advantage of the fact that the hon. member for North Huron (Mr. Spotton) has lent his voice to the Minister of Marine, may I ask the latter if he will kindly answer the question I put to him not long ago as to who is going to supervise the construction of that tunnel. Is it himself or one of his colleagues?

Mr. SPOTTON: Sweezey.

Mr. POULIOT: I see the hon. member for North Huron (Mr. Spotton) is a ventriloquist, but I would like the hon. Minister of Marine to answer.

Mr. RALSTON: The first point the minister made when he proposed this vote was that it was in fulfilment of an obligation incurred in 1913. That point was made also by the Minister of National Revenue (Mr. Matthews) when he was speaking as a member for Toronto. Since that time I think my hon. friends have realized how extremely weak that is as a ground for putting through this vote at this time, and we have seen some rather remarkable gyrations on the other side of the house. At one moment it was said that it was for the benefit that would come to those who live on the island, then that there was to be an airport there. Now my hon. friend the Minister of Public Works is back to the original promise of 1913. He says that because twenty-two years ago the friends of my hon. friends then in power made a promise, we should now in 1935 when this country needs the money in the worst way take that as an excuse for spending a million dollars to build this tunnel in Toronto, as an emergency. And what does he say about it? He says that in 1913 we promised to build a bascule bridge. They have managed to get along without the bascule bridge up to the present time. I presume that bridge was going to be built in order to see to it that the ferries connecting the city with this island did not interfere with the traffic, but apparently traffic has managed to get along for these twenty-two years without the construction of

the bridge, and without any extra means of communication. But now in 1935, on the eve of an election, this twenty-two year old promise is to be fulfilled. As my hon. friend from Northumberland (Mr. Fraser) suggests, it is just like my hon. friends opposite; they begin to fulfil promises twenty-two years after they are made. They have made some more that I do not think will be fulfilled even in that time, judging by the magnitude of the promises they made in 1930.

I submit that there is nothing in the answer given by the Minister of Public Works. He has to have some other reason than this old, mouldy promise made in 1913. His friends were in power until 1921; they had eight years. His friends have been in power since 1930 and it is now 1935; that is five years more. Why did they not do it long ago if the carrying out of this promise was so important? Now when this country is having to borrow money and has gone into debt to the tune of over $800,000,000 in the five years during which my hon. friends have been in power, they propose to spend $1,000,000 in order to fulfil this promise. There must be some better reason than that. My hon. friend says it is for the purpose of providing employment. I agree that probably it will afford some employment, but as a first principle in connection with these public works the minister lays down that you must have a useful, productive, self liquidating public work. Those were his words. Secondly he says you must have works which will provide employment. I submit there is nothing in the fact that there was a promise made in 1913 which makes this a self liquidating public work. This is not the kind of work we are doing under the financial stress which exists to-day, and I submit that this house is not here for the purpose of paying the overdue promissory notes of the government which was in power in 1913 unless the public works which were then promised are of the class described by the minister.

Further than that the minister rather ridiculed the hon. member for West Lambton (Mr. Gray) when he suggested that this money should be used for slum clearance; the minister suggested that that was a provincial matter. The hon. member for Antigonish-Guysborough (Mr. Duff) brought out the point that this very tunnel is a purely municipal matter. In this case the minister says an airport is going to be constructed some day if somebody decides to spend the money, but in the meantime the people of the Dominion of Canada are to be taxed for $1,000,000 out of federal funds in order to build a tunnel across to that island in the hope and with the vague possibility that somebody may think it worth while to spend the money for an airport when the time comes. I suggest to my hon. friend that the hon. member for Parkdale (Mr. Spence) was quite right the other day when he said that the bridge had not been built in 1913 because they could not make up their minds whether they wanted a bridge or a tunnel while others wanted nothing at all, and they apparently have not made up their minds yet. As my hon. friend from West Lambton pointed out to-night, the Toronto authorities have not yet decided what they want in connection with this particular work. I submit that if my hon. friend is going to put this on the basis of an airport he should have some understanding first, some commitment from somebody, that an airport is going to be built. Otherwise what is the use of spending $1,000,000 and saying we are preparing for an airport without knowing whether there will ever be one? Before he has an airport he and the Minister of National Defence will have to have the plans for that airport; they will have to know whether it is feasible and whether it fits in with the national system of aviation. My hon. friend knows perfectly well that there is an airport at Leaside now. I do not know whether or not it is sufficient, but no representations have been made by the Minister of National Defence, who has charge of aviation, that further accommodation is required in Toronto. So I say this vote cannot be justified by this old, forgotten promise, nor can the minister justify it on the ground that it is for an airport when he has no commitment from anybody to build an airport. In addition, as my hon. friend from West Lambton has stated, I do not think the people of Toronto themselves are convinced as to the necessity for this work.

Mr. SPENCE: Not all the people, but about ninety per cent.

Mr. RALSTON: Have they decided that they want a tunnel in order to develop the island, or have they decided that they want a tunnel in order to fulfil the promise of 1913, or have they decided they want a tunnel for an airport? If they have decided they want a tunnel for an airport, who is going to build the airport? Has any commitment been made in that connection? So far as I know that has not been done.

Mr. DUFF: The municipality.

Mr. RALSTON: My hon. friend from Antigonish-Guysborough (Mr. Duff) reminds me again that if an airport is built it will have to be built by the municipality; therefore this is a municipal work. Until the authorities of Toronto are of one mind in connection with this matter, and until the Minister of Public Works has something to bring before this committee in the way of a work which will be a feeder to something which is going to be actually established, rather than something which is in the far distant future and is merely a matter of hope in the minds of hon. gentlemen opposite, I have a suggestion to make in connection with a project of this kind which I think will much more nearly fill the bill and meet the requirements which the minister has laid down. The minister knows, or at least his officials know, that there is a community on Cape Sable island, consisting not of one hundred families or less as is the case with this island in Toronto harbour, but of about two thousand or more citizens, engaged in the fishing industry out there in the Atlantic. This is a focal point where men bring their fish, and from which they go out, where probably about $500,000 worth of fish are handled during the year. It is a distributing point for the Tusket islands and Seal island, out in the Atlantic. If my hon. friend wants to vote money to provide employment and also to provide a means of communciation with the mainland, there is a place where he can do it with great benefit and justification there. This is a project which will be for the benefit of the community; he can make it self liquidating in the sense that it will produce revenue in the shape of increased catches of fish and increased facilities for the marketing of these fish. Here is an opportunity for him. My hon. friends may say this is a provincial project, but I say this very government and the government that preceded it recognized that these facilities were necessary. The previous government had already constructed two ice piers in the channel between Barrington Passage and Cape Sable island with the idea that the provincial government some time might put a bridge there, and the government of my hon. friends actually constructed terminals for a ferry service, recognizing that these people needed facilities of that kind. You do not need anything like a million dollar tunnel down there, where you have two thousand industrious, hardworking, enterprising people who are bringing in new wealth every year. If you have a million dollars to spend, until the city of Toronto or the harbour commission or whatever authority is going to build this airport make up their minds and decide an airport is needed I suggest that you spend some of that money in providing decent facilities for communication between the mainland and Cape Sable island, where these enterprising people live. This is a project that I can recommend to my hon. friend without hesitation, and I would hope that the Minister of Finance would recommend it also. I think my proposal would be very much more in keeping with the principles under which money for relief works is being voted to do this than to proceed blindly, in the dark, simply because in 1913 somebody wrote into an order in council that they would build a bascule bridge, and now in 1935, just before an election, to vote $1,000,000 for a tunnel on the ground that the promise which we have disregarded for twenty-two years must suddenly be fulfilled.

I submit that there is nothing more than that behind this vote. My hon. friends wanted to spend $1,000,000 in Toronto; they wanted an excuse to do so and they found this old order in council. This matter of the airport has been simply dragged in in order to justify this expenditure, but my hon. friend knows there is really no commitment, no considered decision and no undertaking that this airport will ever be built. I commend the Cape Sable island-Barrington project to my hon. friend, and I say this committee can well afford to wait until we have more information before voting this million dollars in connection with this project about which there seems to be so much uncertainty and contradictory opinion.

Mr. STEWART (Leeds): When the hon. member states that this is a musty and empty promise he fails to recognize that the development of the port of Toronto is a matter requiring serious and careful consideration. He seems to regard the construction of the tunnel, or this particular means of approach, as the only undertaking entered into. Let me say to him that this was a joint undertaking. The agreement was made that the dominion should perform certain works and that the city of Toronto or the harbour commissioners should perform certain other works. The matter has not been lying dormant since that time. From time to time the work has been undertaken progressively. The city of Toronto has carried out its agreement in full, and I do not believe the hon. member would suggest that the federal government should welsh or go back on any agreement it has made.

Mr. CASGRAIN: Was the agreement in writing?

Mr. STEWART (Leeds): The work has been done in stages, but this particular part of it has not been done, although it should have been done some time ago. The time is now appropriate for the carrying out of the work. This is not an emergent work, although hon. members opposite have so described it. I would point out to them that the bill does not provide the works must be emergent. These are works calculated to give the greatest measure of employment, and in carrying out the agreement and thereby providing a great measure of employment I say we are meeting the obligation now existing.

Mr. RALSTON: I believe the minister will concur in what the hon. member for Parkdale (Mr. Spence) said on April 17. He did not say the dominion government was welshing, but he did say, "The difficulty was that the people of Toronto could not decide whether there should be a bridge or a tunnel, while others wanted nothing at all." That is the situation, as I understand it, which still exists.

Mr. STEWART (Leeds): They want it now.

Mr. ELLIOTT: Is not the tunnel a substitute for the bascule bridge originally contemplated? Is it not a fact that only recently the tunnel has been suggested as a substitute for the bridge originally contemplated?

Mr. STEWART (Leeds): It is a substitute; certainly there will not be a bridge and a tunnel.

Mr. ELLIOTT: As I understand it, several operations were contemplated in the order in council passed in 1913. Most of those have already been performed. In the first place the western breakwater was built. Then there was provision for an eastern sea wall from the eastern channel to Woodbine avenue. This has not been constructed, and I am informed there have been no recent representations requiring its construction. Apparently that is not being urged at the present time. There was provision for an eastern harbour terminal area, which has been completed. Mention was made of a bridge over the western entrance and another over the eastern entrance. As I understand it representations have been made from time to time concerning the desirability of providing a bridge over the western channel, and there have been no recent representations concerning the necessity for a bridge over the eastern channel. As an alternative it is now proposed to construct the tunnel. Assuming I am correct—if I am not I hope the minister will correct me—the situation boils down to this: It is proposed to connect with the mainland an airport which does not now exist and which if my information is correct, in view of the limited area at the disposal of the government, can never exist as a proper airport. I am informed the amount of land available is not sufficient.

Mr. CASGRAIN: Seventy-five acres.

Mr. ELLIOTT: The suggestion has been made to build a tunnel instead of a bridge. May I observe that there never was an agreement to build a tunnel; let us get that point cleared up. In view of that fact it is only a stretch of the imagination to state that these operations are to take place in order to satisfy an agreement.

Mr. CASGRAIN: It is an excuse.

Mr. ELLIOTT: This is a plan which has emanated from some fertile minded gentleman whereby the island may be connected to the mainland by means of a tunnel. The city has not undertaken to build an airport; no body has undertaken to build an airport. What we have, then, is a suggestion to build a tunnel connecting with the mainland an island, seventy-five per cent of the inhabitants of which are opposed to such tunnel, and an airport which does not exist, and for the construction of which no arrangements have yet been made.

This is a non-digested, half-baked proposition which should have been given a good deal of consideration before presentation to this chamber. The information which the minister was good enough to furnish me does not reveal that any arrangements have been made whereby such a plan could be considered feasible. There is no reason in the world why the federal jurisdiction should build a tunnel of this kind. Is there any precedent for the building of a tunnel comparable to this one, where an island belonging to a municipality containing an airport which does not exist has been connected with the mainland? On any previous occasion has such work been done with federal funds? I venture to say the minister does not know of any similar undertaking. Without doubt this is about the most unfeasible, impossible, uncalculated ill-considered proposition which has ever been placed before a committee of this chamber. I am greatly surprised to find the Minister of Public Works making a suggestion of this kind. I do not believe the time of the committee should be taken up unduly in a consideration of the matter, but I do say so many undertakings are so greatly needed that, having in view the limited amount of money at the disposal of the department, the minister should be content

to follow the suggestion made by one hon. member from the city of Toronto to the effect that the matter be allowed to stand. Matters in connection with the airport and in connection with this tunnel have not developed far enough to enable the committee to pass favourably upon it; the only decision it can come to on the information given so far would be an adverse decision. I urge upon the minister that he let this item stand for the present and see if there is not some feasible scheme that can be proposed that would get away from attempting to argue it out here until he can convince the committee that it can be done. As the matter stands no information has been furnished that would convince a reasonable committee that the proposal as presented should be adopted.

Mr. CHURCH: Mr. Chairman, the only question which the people of Toronto voted on in connection with the harbour was the question which was submitted to them in the form of a by-law in 1911: Are you in favour of a new harbour commission to have supervision over the whole fifteen miles of waterfront, with the members to be appointed by the city council? That by-law was carried and the new harbour commission appointed. Prior to that there was an old harbour commission which had jurisdiction only over the old Toronto bay, but the new harbour commission was given jurisdiction over the waterfront from the Humber river along the north shore, including Humber bay, the old Toronto bay and the whole territory east of the eastern gap as far as Woodbine avenue. The harbour commission's jurisdiction ran from the Humber river in the west to Woodbine avenue, and for a distance of three miles south. The people voted on that by-law for the appointment of a new commission: 18,460 yeas, and 4,720 nays.

The old western entrance to Toronto harbour was at a point which would be about three quarters of a mile inland to-day. A new entrance was made and built under the government of Sir Wilfrid Laurier. As I said this afternoon, both political parties have dealt fairly with the city of Toronto in connection with harbour improvements. We have had Liberals and Conservatives on the harbour commission and we all worked for the good of Toronto harbour. The new entrance was built in 1907 for $700,000. Mr. Pugsley happened to be Minister of Public Works at the time, and the work was very well done. the new entrance being two thousand feet long and four hundred feet wide, with eighteen feet of water. There were just two parallel cribs; the north crib was all water and the south crib was all water. Seventy-five acres of water lots north and south of the western channel were dedicated by the Laurier government to the new harbour board, in a deed of trust, for park purposes, aquatic purposes, and a marginal way, and the commission filled in all that seventy-five acres. At one time Mr. Solman, who had a ball park over at Hanlan's Point, wanted to move his ball park to the city on account of the dilapidated ferry service to the island. I remember the harbour board and the private applicant Mr. Solman, who was a brother-in-law of Edward Hanlan, meeting at the old Union station in connection with his application. Mr. Solman was a public spirited citizen; he had built the old rink on Mutual street and the Alexandra theatre, and he owned the ball park at the island. He went to the minister, Hon. Mr. Graham, who had always been very much interested in the harbour and in the baseball team, and applied for permission to use for a ball park five acres of that seventy-five acres that was originally dedicated for aquatic and park purposes and a marginal way. Permission was granted and the ball park was built on the north side of the new entrance. On the south side of the new entrance there was a water lot, which has been filled in by the harbour commission. The sand for filling came out of the lake. They had a pipe line five or six thousand feet out in the lake, and they filled in all that land south of the west entrance and made it into a very valuable property.

With respect to the use of these lands on the south side for an airport, there will have to be another order in council passed along the lines of the order in council respecting the application for the ball park, to enable the harbour commission to use it for airport purposes. Toronto is a federal harbour, as hon. gentlemen may see if they look up the act of 1911. It is in a somewhat different position from Halifax and other harbours as regards the division of the work between the city and the government. The harbour board consists of five members, three appointed by the city, one by the government and one nominated by the Toronto board of trade which has taken a great interest in the harbour since 1854. Some of the old commissioners are still on the harbour board. There may be a difference of opinion as to the merits of this or any other scheme in connection with the Toronto harbour, but all the money that is spent by the Toronto harbour commission as a federal commission is

purely city money, money handed to them by the board of control of the city, some of which is raised by city taxes. No Toronto harbour deficits have ever been paid by this government, and all the improvement of federal lands has been paid for by the city taxpayer. The harbour board bought the largest dredges in the world, one of which was the Cyclone, and filled up all these waterfront lots for twelve miles, including the industrial area in Ashbridge's bay.

The people of Toronto did not vote on bridges. They voted only on the question: Are you in favour of a reconstruction of the harbour and a new fusion harbour board. Under the Harbour Act of 1854 four bodies had something to say about Toronto harbour—the property department of the city, the provincial government, the federal government, and the old harbour board. There were thus four different bodies having a say in the harbour, and it is no wonder that Toronto harbour was away behind the times. When I became controller in 1910 I moved for the appointment of a committee to bring about a fusion board in place of these four different interests. There was opposition to the appointment of the committee, but it was appointed and met for a year. We had three good Liberals on the board, the late Mr. Spence, Mr. John O'Neill, and another splendid citizen. We went all over the harbours of the world and then made our report, which was adopted; the question was submitted to the people on January 1, 1911, and the by-law was carried by 18,000 to 4,000 odd. The new harbour board made an agreement with the city by which the city government gave to the new harbour board all its property along the waterfront and all the docks at the foot of Yonge and York streets. The dominion government did not give us any property. They then started to improve the western and eastern entrances, and that work has all been completed. A large number of industries have been located in this particular district. Many of the oil and coal companies have located here. The Imperial Oil Company, the British American Oil Company, the McColl Frontenac Oil Company, have spent fortunes in this particular locality. They have built new tankers and are bringing oil and gasoline to Toronto from all over the world. The tonnage in the harbour has increased considerably and this work has all been justified.

After the people had voted on this matter a detailed agreement was drawn up. The minister at that time was Mr. Rogers. The engineers of the dominion government and representatives of the city and the harbour board met together and an order in council was drawn up upon which was based an act of the parliament of Canada which received the unanimous approval of this house. The commissioners were appointed in 1912; they were Lieutenant-Governor Clark, Mr. Home Smith, Mr. Gourlay, Mr. Spence and myself. I continued in office from 1905 until 1928. I was reappointed at that time but I did not accept the appointment. We received no salary and I know I spent thousands of hours upon this work. We would spend as much as two or three days a week and all we received was a lot of abuse. However, we cleaned up the water front of Toronto and saved it for the people.

The question of jurisdiction has come up. The government is committed to the construction of two bridges, one across the western channel and one across the eastern channel. We are not abrogating that agreement because it was followed by an act of parliament which was passed in 1913. It was necessary to go to the provincial legislature and to this parliament in order to validate the transfer of the land. The western entrance is a navigable stream and the dominion government has jurisdiction over boundary waterways, over interprovincial streams and over questions affecting navigation. This matter is thus brought within the four corners of the British North America Act. The same situation arose in Montreal. I do not object to what was done there; in my opinion that city was entitled to a large vote for its harbour. As I said this afternoon I believe in the policy of each for all and all for each. The people of Vancouver are just as much interested as we are in a vote for Montreal or Halifax harbours. Waterborne traffic has never had the benefits which have been provided for railborne traffic.

The people who live on Toronto Island do not own the island. I understand there are only 1,000 leases. Most of the houses are boarding houses where young people reside during two or three months in the summer. I should imagine there are about 10,000 residents during the summer season. The city of Toronto has spent over $100,000 of the taxpayer's money to improve the island and the revenue does not begin to pay for the expenditures made. It was necessary to extend all services such as gas, electricity, water, telephone, street cleaning and other matters. The island belongs to and is part of the city and is separated from the mainland by the federal entrance. The government has already admitted jurisdiction as it assumes jurisdiction over the entrances to

the harbour. The late government dealt very generously with the city and I want to repeat the tribute I paid them this afternoon. This national scheme for a Toronto harbour was commenced in 1911, 1912 and 1913. The idea was to have it fifty per cent beautification and fifty per cent industrial sites. Industries are locating here to a large extent, so much so that the other day the mayor of Montreal said that they would have to look to their laurels.

An application would have to be made for this tunnel under the Navigable Waters Protection Act, because this channel is a navigable stream just like the St. Lawrence and Ottawa rivers. No erection along, over or under such waters can be made without application under the federal act. This matter will come before the Minister of Public Works in the usual way. Five acres of this harbour property was transferred to Mr. Solman. This was originally a water lot but it had been filled in by the harbour commission and was to be used as a ball park. Last Saturday the board of control passed a resolution strongly in favour of this tunnel. I admit that I was not in favour of this tunnel when I first heard of it some months ago. I thought that we would be abrogating our right to have bridges constructed across the eastern and western entrances. However, I have visited many harbours and I realize that bridges are rapidly being discarded. We have an example in the Detroit river where a traffic tunnel has been built. A tunnel is more economical and efficient and it is possible to have services all the year around.

I am in hopes that this island will be used all the year around and not only for two or three months in the summer time. I want to see the present ramshackle cottages replaced with homes for working people who will be able to get to the island with the payment of one street car fare or possibly an additional one or two cents. This would be much better than having to be put into pig-pens as they are at present or as they were when baseball was being played on the island. I have seen some of my hon. friends across the way at the island in the old days when Toronto had a good team. They will remember the railway crossing at the foot of Bay and Yonge streets and how they had to wait for the ferry boat. They will remember how they did not get home until six or six-thirty o'clock.

At one time a suggestion was made that a bridge be built at the foot of Yonge street to permit passengers to get down to the boats. Like many other projects, this was never gone on with. Instead the city put through the wider scheme of a viaduct along six miles of the water-front. I believe that Toronto is the only city in Canada which has paid for grade separation. The city of Toronto told the railroads they were ready to do business, they put their cards on the table and to-day there is not a level crossing across the waterfront.

In connection with the use of these lands for an airport, application will have to be made to the governor in council for permission to divert whatever acreage is necessary for this purpose. As regard the question of jurisdiction, application will have to be made to the minister under the Navigable Waters Protection Act, and he no doubt will see to the insertion in the order in council of the necessary riders to protect navigation. As to the substitution of bridges, the people did not vote on specific bridges; they voted on a wider harbour scheme by which the city, the government and the commission would be required to contribute. So far as the interests of the inhabitants of the island are concerned, that aspect of the matter has been emphasized altogether too much. What about the 650,000 people in the city who pay the taxes to maintain the island? The people on the island get more out of it than anyone else does. Are we not going to consider the interests of these 600,000 or more taxpayers who have to maintain the island, providing various services? I say that the island should belong to all the people all the time and not to some of the people.

I may say that we went into this matter very thoroughly.

The Minister of National Revenue (Mr. Matthews) said that the approaches to this particular tunnel were a matter for the city, but the same principle will have to be adhered to as was observed in connection with the viaduct approaches. As regards the other phases of the matter, an agreement will have to be made between the harbour commission and the city of Toronto, with respect to roads and approaches. I was on the commission for a good many years and if I were asked to undertake the duties again I would not give five minutes of my time to the work, because all that one gets out of it is abuse. When we came here as a harbour commission, however, and represented our case with regard to the viaduct, I must say that we were treated generously by hon. gentlemen opposite, who were the government of that day.

Mr. SUTHERLAND: There is one aspect of this matter that does not seem to have received the attention it deserves, and that is the airport. I do not think there has been

clearly represented to the house the situation that exists in Toronto in connection with air traffic. It cannot be gainsaid that there is not a city of its size at the present time in North America that has worse air facilities than has Toronto, and the authorities there, realizing that, have had in mind for a number of years some permanent development which would be in keeping with the size and importance of that city. They have been working on the problem. As the former Minister of National Defence said, there was an airdrome at Leaside which was dangerous and has been abandoned. At the present time there are in the north three or four different airdromes but none of them might be called either first class or second class; they have not the facilities to cater to the air trade which offers both from the republic to the south and from the northern country of which Toronto is the logical clearing house. Now the harbour commission fully realized that difficulty and this is not a sudden development which they have proposed; it is one they have been working on for a number of years, the idea being to provide the island with a combined sea and airport which would be suitable for landing seaplanes as well as land machines. When it is fully developed in accordance with the plans that have been laid out, Toronto will have an institution of which it can well be proud, one which will be as efficient as any on the continent. It is very different indeed from the situation in Montreal. Everyone must remember, I think, that this dominion spent over $2,000,000 to equip Montreal with an airport, and of that sum $500,000 went into the mooring mast for an airship that made only one trip. It was used only on one occasion. That was done by the former government and I find no fault with it at all, but there was an expenditure of $500,000 which, for any use that was made of the structure, might as well have not been made. For that reason it does not seem to me to be out of the way to help Toronto at this time in this particular matter, especially when we remember that there was a dominion commitment of many years' standing with regard to a bridge over that western gap. If we can put a tunnel there instead of the bridge and make possible the development of the airport, I think we shall be doing a very excellent thing. Indeed, I do not know of any one thing that will prove of greater value and more lasting good to Toronto than this combined airport and tunnel, and I think the question should be looked at from that point of view; I do not think that the house should regard it as the outcome of a discussion lasting only a month or two. It is nothing of the kind. It has been carefully thought out and it will be a very useful public work. I know the airport situation there and I submit that it will be of great benefit to the city of Toronto.

Mr. RALSTON: My hon. friend has discussed very fairly the provision of airport facilities, but I think he has left a wrong impression on the committee with regard to the airport at St. Hubert. In the first place, Montreal does not enjoy an airport anywhere as close to the city as the airports to the north of the city of Toronto, because St. Hubert is nearly twenty miles from Montreal. In the second place, I think that if the minister looks up the records he will agree with the positive statement I make that St. Hubert was provided as a national airport to serve as a first-class air base on the eastern coast of the dominion. Aeroplanes contact transatlantic ships, inward or outward, connecting with them at Father Point or even farther down, and it was necessary to have a suitable landing place at a convenient point near the seaboard on the eastern coast of Canada. From here inward overseas mail radiated west and south and to this point was directed mail bound for overseas from a great part of the continent. St. Hubert was not provided as an airport for Montreal and never was so regarded; it was the first great national airport in Canada. The former government took some care in this matter. The airport was not selected there because it happened to be near Montreal. We had a group of three gentlemen from England, men who understood the requirements of airports and aviation, skilled outstanding men in their profession—one of them was Commander Scott, who perished in the R101, and there were two other gentlemen of outstanding ability—who travelled throughout eastern Canada from Sydney and Halifax to Toronto, examining every possible site in order to suggest the ideal spot for the purposes of a national port, a terminus for aeroplanes on the eastern coast of Canada. After a most exhaustive examination they unanimously recommended St. Hubert and the Department of National Defence and the government acted on their recommendation. It was in no sense an airport for Montreal. There are a number of sites on the island of Montreal itself which might have been chosen had the interests of the city been the paramount consideration. Those are the circumstances under which St. Hubert was selected.

With regard to the expenditure on the mooring mast, my hon. friend is quite fair about that; he does not criticize it. The money was voted in order that Canada might do its share in connection with the experimental flight which was proposed to be made by lighter than air craft from England. The Prime Minister of Canada when he was at the imperial conference, in 1928 I think, undertook that if Great Britain would build the ship and send it out, Canada would provide a mooring mast for that purpose. It was as a part in the development of a great commonwealth scheme of aerial transportation that that mooring mast was constructed. My hon. friend was quite right; only one airship landed there—the R100. We all know the very sad tragedy that occurred in connection with lighter than air machines when later the R101 was lost on that fateful trip to India, and since that time Great Britain has not entered extensively into the construction of such machines. It may be that the mooring mast will never be used again. But Canada fulfilled its obligation; it was voted for by every member of this house; there was no opposition to it inside the house. That experiment was conducted safely and successfully I am glad to say, as far as the trip of R100 was concerned, but the R101 met a different fate.

The airport in Toronto is quite a different thing. My hon. friend knows that the policy of the Department of National Defence has been that airports are to be established by municipal authorities. Assistance by the Department of National Defence and the government of Canada is given in the way of lighting them and providing accessories. But the airport itself, as far as I know, and I do not think my hon. friend has made any change in that regard, has been provided by the municipality. While my hon. friend has made a contribution to this debate in suggesting that airport facilities at Toronto are not as good as they should be, I do not think he has advanced any argument why we should spend a million dollars, not for an airport but for a tunnel without any suggestion of any commitment by anyone to construct an airport in Toronto at the terminus of this tunnel. We come back to that time and time again no matter how much we may appear to wander from it; the vote now is for a tunnel from the city of Toronto to an island in Toronto harbour. One of the members for Toronto who just sat down gave the thing pretty well away, I think, when he suggested that one argument in favour of this thing is that if that tunnel were built residents of Toronto could ride to the island for the price of a street car fare. What has that to do with the dominion government, with dominion funds? No matter how deserving the people may be, is this house going to vote special funds to provide them with cheap transportation facilities? Are we going to vote funds to reduce the city transportation fares of Winnipeg, of Calgary, or of Vancouver? The argument is just as strong for one place as the other. I think the hon. member brought out very forcibly the point we are trying to make, namely that so far as any evidence submitted to this committee goes, this tunnel is not a national project, it is purely a local project; in connection with the national aspect of it there has been no commitment or definite assurance whatever, and I submit that as a project in conjunction with an airport which may or may not materialize, it is a project which requires, as the hon. member for West Middlesex (Mr. Elliott) says, a good deal more examination and careful study and investigation and reports from competent aviation engineers than appear to have been given or supplied having regard to the meagre information that has been laid before this committee.

Mr. POULIOT: I thought the hon. gentleman was going to answer, and now that I rise I see all the ministers rising. I ask them, if they are ready to speak, to answer the question I put to them before, and I shall be very thankful.

Mr. SUTHERLAND: I do not think that the former Minister of National Defence or the other gentlemen on the other side who have spoken have given this matter very careful thought. They seem to have followed the lead of the hon. member for Toronto West Centre (Mr. Factor) early in the afternoon and decided, every one of them, that the scheme should be opposed. Now there have been carefully prepared plans for this airdrome—I saw them; the engineer of the harbour commission showed them to me. This is not a suddenly conceived idea. The St. Hubert airdrome is a national airdrome, it is true. It clears the flights coming in from the south, from New York, and when we get a transatlantic air mail undoubtedly it will be a very important link in that. But the proposed airdrome at Toronto will really be a national airdrome also, with this difference, that the government are not called upon to pay for it, and will not be called upon to pay a cent unless it be something in connection with the lighting, as the hon. member has mentioned. I consider that Toronto is

practically as important an air base as Montreal. It will clear from the whole central part of the United States from which the large amount of traffic is naturally coming up into Canada. If they find an airdrome there just as good as any, it will be made use of.

Mr. FACTOR: Is this proposed airdrome part of the trans-Canada airway development?

Mr. SUTHERLAND: Undoubtedly it will be. All that will be needed in Toronto to form a link in that system will be an airdrome. Under any circumstances, of course, mail will be taken from Toronto to the transcontinental airway when it comes into operation. Toronto will undoubtedly be on the map as an air centre if it gets this airdrome. Toronto will be just as important a link as Montreal. I think the government would be missing a very important chance if they neglected to do this work, and to make the scheme possible by providing access to the airdrome by means of a tunnel. This airdrome will be one and a half or two miles from the centre of the city as at present constituted. That gives it advantages which very few airports have. It will be better than St. Hubert because it will combine the water and the land features.

Mr. POULIOT: Mr. Chairman, this started as a tunnel and now it is an airport. What is the link between them? It reminds us of the tunnels which are built to test model airplanes. It is a most curious thing. No one objects to an airport in the proud city of Toronto. The minister seems to think that the members who object to this expenditure are objecting on account of the fact that the tunnel is not to be built in Montreal. It is not that at all; it is because it is most silly to build a tunnel costing a million dollars for an airport. In order to justify that enormous expenditure—

Mr. SUTHERLAND: The airport at Montreal cost $2,000,000.

Mr. RALSTON: I must correct that. It is not in Montreal; it is a national airport. It is not the same thing at all.

Mr. POULIOT: It is not the same thing. I would not object to that million dollars if it were being spent for an airdrome or an airport, but what I find absurd is wasting a million dollars to build a tunnel to go to that airport. Let the aeroplanes come to it. The money is not only thrown in the water, it is spent under the water, and excavations made to waste money.

Mr. SPENCE: How are you going to get to the airport without a tunnel or a bridge?

Mr. CASGRAIN: You don't need it; the people get there at present without a tunnel.

Mr. POULIOT: There must be a clear distinction. No one objects to the airport, and the minister is wrong when he makes a comparison between Montreal and Toronto. There is no tunnel at St. Hubert. But if the government build this tunnel, we have no assurance that the airport will ever be built. We object to legislation of this kind. If this tunnel is built we maintain that the money spent will be a pure loss This is our point of view, and I was surprised that at least one of the hon. gentlemen who have spoken, an hon. member who usually speaks very well, did not see the point. It is very plain. No hon. member would object to any effort being made in behalf of the city of Toronto. Who does object? This is shadow boxing, that is all. We want to play fair with the city of Toronto, as we want to play fair with every other city, but we do not want the taxpayers of Toronto and other parts of Canada to be imposed upon by such silly expenditures as this. Who are the contractors behind the scheme? The reason no minister answered the very pertinent questions that were asked was that no minister dared disclose the names of the contractors the government had in mind for this fat contract. Have you ever heard of a case, Mr. Chairman, where not one member of the cabinet was able to take the responsibility for a scheme such as this? The only answer I received from those sitting on the treasury benches was, "I will not do that" from one minister; from the others I got no answer at all. I need not tell the Minister of Public Works that he is an able man and an able minister; he knows his department very well, so if this work is ever done —although it is absurd to do it—I should prefer to see it done under his control rather than under the control of any other minister, because he has had experience in the Department of Public Works and this is a public work. May I ask the minister now if he will take that responsibility or if some other member of the cabinet will have charge of this matter?

Mr. SUTHERLAND: Whatever differences of opinion there may have been in the Toronto city council while they were getting acquainted with the idea, it seems to me their attitude is very clearly set out now, when the mayor says it is important that unemployed men be put to work on the project as soon as possible, and when he expresses his hope that those who have the interests of the unemployed at heart might expedite rather than attempt to

hinder the city's support of the scheme. It seems to me that this clearly expresses what the mayor, the controllers and the city council of Toronto think about it. I really believe the hon. member for Toronto West centre (Mr. Factor), who started the opposition this afternoon, was very ill advised to do so, bearing in mind the benefits that will accrue to his own city and his own riding.

Mr. FACTOR: In the first place I should like to say to the minister that hon. gentlemen opposite do not possess any monopoly when it comes to having the interests of Toronto at heart. Being a member from Toronto I am just as much interested in providing employment in that city as are the minister and the other members who have spoken. The expression of opinion by Mayor Simpson, to which the minister has just referred, is merely the individual opinion of that gentleman; the matter has not been brought before the city council for consideration, and there is a strong body in the council absolutely opposed to an airport.

Let us analyze the situation as it presents itself after discussion. This airport is either part of the trans-Canada air development or it is a municipal airport. If it is one of the airports to be built by the federal government as part of the large scheme, then it is up to the federal government to provide in the estimates a sufficient amount of money to build the airport as well as the tunnel. That has not been done; they have merely provided $1,000,000 for the construction of a tunnel in the event of an airport being built by the municipality. Is it not a reasonable proposition that if the airport is to be provided by the city of Toronto the governing body of that city should express its approval first? That should be the very foundation for this expenditure of $1,000,000. The city council has not approved of this plan; it has not been proposed to the city council. As a matter of fact the harbour board have not consulted the members of this house in reference to this development of the airport.

The government say this is simply a matter of providing relief for unemployment; they express great concern now with regard to unemployment. Why did they wait until the very last hour of the very last day before bringing down the unemployment relief bill? If they were so anxious to provide work for the unemployed they should have consulted the municipal council months ago, and they should have consulted the members of this house who have a vital interest in seeing that work is provided in the city of Toronto. In the very last hour this bill was presented and $1,000,000 was provided for the construction of a tunnel in the event of an airport being built by the city. No one consulted the municipal governing body; no one consulted the members on the government side of the house, even. They did not know anything about this vote.

Mr. SUTHERLAND: Yes, they did.

Mr. FACTOR: Perhaps one or two did, but most of them did not know about it. The hon. member for Parkdale (Mr. Spence) did not know anything about it; at the conference with the harbour board he knew no details with regard to the construction of this tunnel, and he was provided with that information only on May 16, after the bill had been brought down. Then the harbour board officials called into consultation the members of the house and furnished them with the information in regard to the tunnel. Again I throw out a suggestion to the Minister of Public Works. When I mentioned it this afternoon he said it had not been done before. Well, here is an opportunity for him to establish a precedent. Let this amount remain in this bill without allocating it to the tunnel. I am just as anxious to provide relief for the unemployed as are hon. gentlemen opposite. Let the government confer immediately with the municipal authorities of Toronto. If they are satisfied to provide an airport; if they are satisfied to make an expenditure of $500,000 on that airport at the present time, to build something that will create carrying charges and which will never pay its way, then I will withdraw my opposition. The engineer of the harbour board stated that he thought the income would be sufficient to pay operating charges only; so far as carrying charges are concerned, this airport will place a load of debt on the shoulders of the taxpayers of Toronto. An airport is a development that is bound to come; it is a development that should come, but the point is whether this is the opportune time to invest public money in this way.

I need not repeat what I said this afternoon. Hon. gentlemen opposite say $1,000,000 is not sufficient for slum clearance. Well, we are willing to treble the amount. Put in $5,000,000 as an unemployment relief measure, but devote the money to some useful purpose rather than to something which even the people in Toronto do not favour. I suggest to the government that if a plebiscite were taken in Toronto to ascertain whether the people were in favour of the construction of this tunnel I doubt very much whether it

would pass, because they realize that there are other and more worthy projects on which this money could be spent. But as I said a moment ago, leave this vote in the estimates without allocating the money to any particular purpose. Confer immediately with the municipal authorities of Toronto, and if the municipal council passes a resolution favouring the establishment of the airport, then so far as I am concerned I will withdraw my opposition.

Mr. STEWART (Leeds): As a last word to the committee I should like to endeavour to clarify the situation and to present it as I see it. In doing so I desire to point out what I think is a mistake in the way this matter has been dealt with by some of those who have spoken in opposition to it. Some hon. members insist upon dealing with this item as though it stood by itself, as if it were a new item and had no relation to what has gone before. They suggest that we come down now, for the first time, and submit a proposition involving an expenditure of a million dollars to connect the city of Toronto with the island. Other hon. members suggest the expenditure is being made for the development of an airport. I say it is made for neither one nor the other.

Mr. CASGRAIN: What is it?

Mr. STEWART (Leeds): It is a proposition to carry out the terms of an agreement.

Mr. FACTOR: May I ask the minister a question?

Mr. STEWART (Leeds): Please let me finish. It is a proposition to carry out the terms of an agreement solemnly made after careful consideration.

Mr. CASGRAIN: No tunnel was discussed in that agreement.

Mr. STEWART (Leeds): Under the terms of the agreement it became the duty of the Dominion of Canada to provide a means of communication.

Mr. RALSTON: No, a bascule bridge.

Mr. STEWART (Leeds): Yes, a bascule bridge; there is no question about that. That was the agreement, and no person denies it.

Mr. RALSTON: Made twenty-two years ago.

Mr. STEWART (Leeds): Let me finish. That was the agreement, and may I add that the other parties to the agreement have carried out their part. This is not a new matter whereby out of the blue we proceed to build a tunnel connecting one part of a municipality with another part. It is the performance of an agreement to do work in connection with the development of a harbour and an agreement which has been fulfilled by the other contracting party. That is a point which must not be forgotten and one which, I submit, destroys altogether the contention that this is a new work undertaken simply for the purpose of connecting one part of a municipality to another part. No doubt it has that effect, and it was intended that that should be the effect, but who would say that when an agreement states you are to construct a bascule bridge and you can construct a tunnel, it would be better to proceed with the construction of the bridge and not construct a tunnel? Surely no hon. member would suggest that under those circumstances a bridge should be built, and that simply because an agreement stated a bridge should be built a tunnel must not be built if, as a matter of fact, the building of a tunnel would be to greater advantage.

It has been suggested that the expenditure is to be made for the purpose of establishing an airport. That is not the fact. The expenditure is made for the purpose of carrying out an agreement. It is fortunate, undoubtedly, that the development of the airport is an added reason and gives the tunnel added value and is a greater justification for its construction. I believe that is all I can say in the matter, except that we have given all the information available. I trust the committee will consider the matter. We are prepared to accept the judgment of the house. There has been full discussion, and we have endeavoured to answer all questions and to present all available information. I believe hon. members from Toronto will agree, upon reflection, that it would not be proper or fair to leave the item in blank.

Mr. FACTOR: If the city council of the city of Toronto came to the conclusion that this is not the proper time to build an airport, would the government proceed with the construction of the tunnel?

Mr. STEWART (Leeds): As the hon. member knows, the tunnel is a work undertaken for the relief of unemployment and at the same time to fulfil an agreement.

Mr. FACTOR: But that is not answering my question. In the event of the city council deciding against the building of an airport, would the government build the suggested tunnel between the island and the mainland?

Mr. STEWART (Leeds): I should think it would have to do that, in satisfaction of its

obligation. If the city of Toronto were prepared to cancel the obligation to build either the bridge or the tunnel, then I would say we would be very glad not to do either.

Mr. FACTOR: Before the item was put in the bill was there any understanding or agreement with the harbour commission that an airport was to be built?

Mr. STEWART (Leeds): No; it was understood that the harbour commission had under consideration the development of an airport as an added reason why the work should be undertaken. While dealing with this point may I say something which I believe I overlooked, namely, that representations were made by nearly all hon. members from the city of Toronto before the item was inserted in the schedule of the bill.

Mr. FACTOR: They will not say so.

Mr. STEWART (Leeds): I say to my hon. friend, and I ask him to accept my word, that before the item was placed in the bill I received representations in favour of it from nearly every member from the city of Toronto.

Mr. FACTOR: I accept the minister's word. I do know however that we conferred on May 16 with the harbour board and its officials, and that was the first conference so far as I know respecting the item under consideration.

Mr. STEWART (Leeds): I do not know anything about that conference, but I do know about the representations from Toronto members with regard to this item.

Mr. ELLIOTT: Would the minister tell the committee what other work which was not included in the agreement has been done since the agreement was entered into by the government, and give us an idea what it cost? My recollection is a great deal of work was done in dredging the entrances, and in various other ways.

Mr. STEWART (Leeds): I have before me a statement showing the work done between the years 1913-14 and 1934-35. The dredging done between these years was valued at $521,650; construction and improvements at $8,937,281, and repairs and maintenance at $83,528, making a total expenditure of $9,542,459. I have the amounts for each year, if the hon. member would like to have them.

Mr. ELLIOTT: Those are expenditures by the federal government?

Mr. STEWART (Leeds): Yes.

[Mr. H. A. Stewart.]

Mr. FACTOR: I cannot understand what objection the minister could have to leaving the item in the bill and allocating it for the purpose of unemployment relief in the city of Toronto, thereby affording an opportunity for conference with the city officials. After all, the municipal government is as deeply interested in providing unemployment relief as is the federal government. I cannot see any objection to holding the item, without allocating it specifically to the tunnel, and then conferring with the municipal government to ascertain whether or not the million dollars could be used to better advantage. If they come to the conclusion that the tunnel and airport scheme would be the most useful public work at the present time, then an agreement could be arrived at. What possible objection could there be to an arrangement of that kind?

Mr. STEWART (Leeds): I would say that under the Unemployment Relief Act, any negotiations such as those suggested by the hon. member are still open to the city of Toronto. However, the government has decided that this is an appropriate way to expend moneys for relief of unemployment in that city. We are doing it on our own account; we are not asking any contribution from the city of Toronto, and we are carrying out our obligation.

Mr. FACTOR: Will the government undertake to build this tunnel without the development of the airport?

Mr. STEWART (Leeds): I would say that they are under obligation either to build the tunnel or to construct a bridge irrespective of the development of the airport. But I do say that the development of the airport is an added reason, or an added justification, if one were needed, for the undertaking of this work.

Mr. RINFRET: I have followed this discussion with a great deal of attention, and I must say that the more I hear about this vote the less I am convinced that it should pass. At first sight this would appear to be an improvement to the Toronto harbour.

Mr. STEWART (Leeds): I do not think my hon. friend puts it quite rightly, and I am sure he does not wish to misstate the matter. I say now, as I have said on several occasions, that there was a general scheme for the development of the harbour, that it was recognized that the dominion should have some part in that scheme, and that this was the part assigned to the government. In itself it is not strictly speaking a development of the harbour, but it was a work that was

agreed to be done in connection with a large scheme for the development of the harbour, the city undertaking to do other things which properly perhaps the dominion government might well have undertaken to do. It was just the division of a general scheme of development. Divorced from all the rest, which I say it should not be, and taken by itself, perhaps it cannot be considered to be a harbour development.

Mr. RINFRET: I am very glad we agree on that point. The argument I was going to make was this. After looking over the schedule as a whole, at first sight it would appear that as the government was spending money in the harbour of Montreal and the harbour of Quebec it was also desired to spend money in the harbour of Toronto, but the moment we examine into the matter more closely we find that this tunnel project as an improvement to the harbour of Toronto simply does not exist. It cannot improve the harbour of Toronto at all.

The argument that is advanced in favour of this project is twofold. In the first place, it is said that an agreement was entered into with the city of Toronto some twenty-five years ago, as the minister has just repeated. In the second place, it is said that this tunnel might serve as an access to an airport which does not yet exist. I say that in both cases the argument is a very poor one.

In the first place, if the agreement has been left outstanding for a great number of years, no attempt being made to carry it out even when the country was prosperous and a lot of money could be spent everywhere, it is disputable at this stage, when money even for relief purposes is very cautiously spent, whether the agreement entered into some twenty-five years ago should be respected when it is acknowledged to-night that this tunnel is of no use at all so far as an improvement to the harbour is concerned. In the second place, we are told that the tunnel will furnish access to an airport. Certainly, Mr. Chairman, this is the first time that we hear of building an expensive access to something that does not exist. It would be much wiser first to let the airport be built, and then consider whether it would be worth while to have such an expensive method of access constructed.

Another argument which in my opinion is a very poor one is that this project is for relief purposes and to provide employment. That argument could be advanced in favour of anything at all proposed under this act. Of course we want money to be spent to relieve unemployment, but the mere fact that it is to be spent for that purpose is no reason why we should build a tunnel rather than a bridge, or this work rather than another. I find that under item No. 10, for instance, there is a large amount appropriated without any specific purpose being set forth, and the proposal that has been made by my hon. friend from Toronto West Centre (Mr. Factor) I think is a good one, that instead of having this one million dollars voted specifically for a tunnel it might be included in the general vote with the understanding that Toronto will have the benefit of it. If it is not used for a tunnel it might be used for a public building or improvements of another kind, and that would be serving the purpose of providing employment, for which we all stand. But it is not necessary to have the money voted specifically for a tunnel.

The minister seems to think we must take the bill as it stands, that we cannot possibly change one line of it. But this would surely be the first piece of legislation to come before the house, Mr. Chairman, in respect to which it was not considered possible to bring in any amendment. Surely the minister will not say it would not be feasible to withdraw that one line appropriating a million dollars for a tunnel at the west entrance of Toronto harbour and to add one million dollars to the amount appropriated in item No. 10. On the contrary, I think it would be very wise and very reasonable. Then it would be understood that one million dollars would be spent in Toronto anyway for the relief of unemployment, but we would not be committing ourselves to the building of a tunnel which in the words of the minister himself is not an improvement to the harbour but will lead to an airport which does not exist, and is being imposed upon a city which does not want it.

Mr. SPENCE: Why make a statement like that? How do you know what Toronto wants?

Mr. RINFRET: I have followed the discussion very carefully, and it has been repeatedly stated here—

Mr. SPENCE: You had better stick to Montreal and something you know something about.

Mr. RINFRET: I cannot of course alter the temperament of my hon. friend but we have spent all day hearing about the airport.

Mr. SPENCE: Why do you—

Mr. RINFRET: I have the floor, Mr. Chairman; I am trying to use it as a gentleman and my hon. friend will not interrupt me unless he does likewise. We have heard a good deal about the airdrome at St. Hubert in connection with Montreal harbour, and when I said that this proposed tunnel would not be an improvement to the harbour of Toronto the minister would not even let me finish my sentence. I take the ground that there can be no comparison between the expenditures in the harbours of Montreal and Quebec and the harbour of Toronto because as an improvement to the harbour of Toronto this simply does not exist. This tunnel is proposed merely because it was agreed some twenty-five years ago that there might be built either a tunnel or a bridge, and there is the additional argument that it would lead to an airport when nobody knows whether the airport will ever be constructed. You do not need to be from Toronto to understand that the whole thing is absurd. It is very clear to a member coming from any part of Canada; and I will never admit in this house—I say this dispassionately—that unless you happen to reside in the very place where an expenditure is proposed you have no right to discuss it. If my hon. friend from Parkdale has that parochial idea, I have not. I claim the right to discuss expenditures in Halifax and Vancouver with the same dispassionate freedom that I have when it comes to discussing an expenditure in my own city. But I will not prolong that part of the argument. I know that my hon. friend (Mr. Spence) is very genial. He just popped up at the moment and regrets it I am sure, and I accept his apology even before he presents it to me.

Mr. SPENCE: I will just say this in reply, that when Toronto makes up its mind to get an airport it is going to get it whether the government pays for it or not. The people of Toronto get everything they want, and we will continue to do so.

Mr. MERCIER (St. Henri): May I ask what is the population of the island? I ask only for information. I do not know much about it because I am from Montreal.

Mr. STEWART (Leeds): I really do not know the population.

Mr. MERCIER (St. Henri): Is it a lonely island on a lonely lake?

Mr. STEWART (Leeds): It is the very opposite of lonely.

[Mr. Spence.]

Mr. MERCIER (St. Henri): Does not the minister think that the present population will be bothered by the tunnel when people come picnicing there from the city? They are living in peace on the island now.

Mr. HARRIS: Seven hundred thousand people visited the island last year.

Mr. MERCIER (St. Henri): Then you do not need any tunnel.

Mr. HOWDEN: I do not live in or near Toronto and I am not particularly disposed to butt into other people's business. However, I should like to ask the minister a question or two. Is it contemplated by this bill to give the city of Winnipeg some assistance in connection with the sewage disposal scheme suggested for that city ?

Mr. STEWART (Leeds): I believe that matter is under consideration, negotiation and discussion by the Department of Labour. That matter would be taken up under the relief act and not under this bill.

Mr. HOWDEN: Do I understand the minister to say it would not come under the provisions of this bill?

Mr. STEWART (Leeds): That work would be undertaken in cooperation with the province or the city and such works are conducted under the Unemployment Relief Act through agreements between the dominion and the province.

Mr. HOWDEN: It might be permissible to point out that the discussion to-day has brought out the fact that the federal government contemplates the expenditure of $1,000,000 to build a tunnel to connect the city of Toronto with an island in Toronto harbour, towards which the city of Toronto is to make a contribution of something like $100,000. This is not a necessary work. The minister has indicated that this work is being undertaken with a view to providing work for the unemployed, but I would point out that the city of Winnipeg is in a dire and desperate condition due to the necessity for sewage disposal. This work will cost some $900,000 and the federal authorities are offering assistance only to the extent of forty per cent. It is almost impossible to live along the banks of the Red river in the summer time because of the stench caused by insufficient water to carry away the sewage. Yet the federal government is offering to pay only forty per cent of the cost of this work when it is contributing $1.000,000 to construct a tunnel in Toronto and the city of Toronto is contributing only $100,000.

Mr. STEWART (Leeds): I know my hon. friend would not want to state only part of the case. The dominion government is contributing its share of a larger amount which has been expended by the city in years past. This is being done on the basis of an agreement.

Mr. HOWDEN: It is not my intention to be unfair. In connection with the sewage disposal scheme for Winnipeg, the federal authorities were asked to contribute sixty per cent of the cost, but they felt they were not able to contribute so much. I am not familiar with all the facts in connection with this tunnel; it may be part of a general provincial and municipal scheme, but the fact remains that the city of Winnipeg is being offered only forty per cent of the cost of a necessary sewage disposal project while $1,000,000 is being expended to construct a tunnel in Toronto to which that city is contributing only $100,000. If this sewage disposal work is not undertaken it will be almost necessary to desert the city of Winnipeg.

Mr. BLAIR: I cannot understand why the minister is anxious to spend $1,000,000 on such a proposition. I have it on fairly good information that the people on the island do not desire this tunnel. They do not want to have motor cars brought across on the ferries; they think the island should be left without cars. Any person who has travelled through St. John's ward in Toronto will understand the report which has been made by Lieutenant-Governor Bruce of Ontario. People are living in houses under very unhealthy conditions and I am sure that if the people of Toronto had an opportunity of making a choice between cleaning up St. John's ward and building a tunnel, they would decide in favour of the former.

Mr. MacNICOL: Can the hon. gentleman tell me where is St. John's ward? Is he talking about Toronto or some other city?

Mr. BLAIR: We will leave it to the hon. member to look up the map.

Mr. MacNICOL: I would inform the hon. gentleman that there is no ward in Toronto called St. John's.

Mr. BLAIR: I know there is a ward which has the nickname of St. John's. I do not know whether they have a nickname for the hon. member.

Mr. MacNICOL: There may be one in the village of Arthur but there is not one in the city of Toronto.

Mr. BLAIR: I practised in Toronto for many years and I have been in St. John's ward many times. Lieutenant-Governor Bruce brought in a report on slum conditions and I feel sure that the vast majority of the people of Toronto would rather clean up the slums and provide proper homes for these people than build this tunnel. Parts of these slums are in close contact with the better parts of the city. I agree with the hon. member for Toronto West Centre (Mr. Factor) who suggests that this money be set aside and not allocated to any particular purpose until such time as we hear from the people of Toronto. If the people desire to spend this money on a housing scheme it would be much better than building a tunnel. With a housing scheme there would be some return from the money invested, besides providing comfort for the people. Under this bill it is proposed to build a tunnel which is not necessary.

It also is suggested that an airdrome is to be constructed on a seventy-five acre lot. There does not seem to be any more acreage and I cannot imagine how an airdrome which usually requires some three or four hundred acres can be built on a lot that size. It is suggested that seventy-five per cent of this expenditure will be used for labour, but I would direct the attention of the committee to the fact that this labour will be mostly pick and shovel labour. If a housing scheme was undertaken employment would be provided for bricklayers, plasterers, carpenters and other forms of labour. Under this proposal a large percentage of the money will go to the big contractors, because much of the work will be done by machinery. The housing scheme, in my opinion, would be much better because it would give work to the unemployed in Toronto. This is a matter that should be referred back to the city of Toronto and I am sure that we might very well act on their advice. We might ask them how they would wish to spend the money to provide relief for the unemployed. If it were spent in connection with a housing scheme it would save the country north of Toronto from the travellers who are a public nuisance on the highways. I would gladly vote for a scheme that would keep the people of Toronto occupied so as to get them off our highways. It would also relieve the hon. member for Parkdale because he would not then find it necessary to provide a lot of ribbons and buttons for people at the next election. At the last election men were wearing buttons on

their coats and they were all unemployed. I moved from one place to another and asked these men what they had been doing in the afternoon—this procession took place after six o'clock—and I found that about one-third of them had been working. If he has a parade of this kind the next time the hon. gentleman might have one in the afternoon too.

Mr. GARDINER: Has the minister given the house any information as to what percentage of this million dollars which will be used to construct the tunnel will be spent in wages, what percentage will represent cost of machinery, and what will represent labour?

Mr. STEWART (Leeds): According to the best information which I can obtain, between seventy and eighty per cent will be spent on labour, when you consider the labour actually on the work itself and the labour involved in the preparation of material.

Mr. MERCIER (St. Henri): Will $1,000,000 be sufficient?

Mr. STEWART (Leeds): That is the estimate.

Mr. POULIOT: There has been a persistent rumour about the building of airdromes in the United States in close proximity to Canada. I wonder if the so-called tunnel will not be used as a shelter for the people of Toronto in case Canada is bombarded by American aeroplanes.

Mr. ELLIOTT: There is one phase of this matter that has not been fairly stated. I have elicited from the minister the fact that practically $9,000,000 has been expended by the federal government in connection with the work in that harbour since the agreement was entered into. I happen to know something about the way in which these expenditures were made. They were made as a fulfilment in part of promises contained in that agreement. The agreement has not been placed before the committee, but the minister has given a memorandum containing some of the things set forth in it. The agreement was not an undertaking to do within any definite time all these works included in it; the work was to be done when funds were available, or words to that effect. It was never contemplated that this government should be called upon to make an expenditure of that kind as a matter of obligation under the agreement in times like these. That a bascule bridge, estimated originally to cost $800,000, was not built was due largely to the fact that after a time there crept into the minds of the harbour commissioners a doubt as to whether such a bridge was desirable at that point.

Progress reported.

RESIGNATION OF A. B. THOMPSON

Mr. SPEAKER: I have the honour to inform the house that I have received the resignation of Alfred Burke Thompson, Esquire, as member for the electoral district of East Simcoe.

I have also the honour to inform the house that I have received a communication from two members notifying me that a vacancy has occurred in the representation in the House of Commons, for the electoral district of East Simcoe, in the province of Ontario, consequent upon the appointment of the sitting member therefor, Alfred Burke Thompson, Esquire, as executive officer for the province of Ontario under the farm loan board.

I accordingly issued my warrant to the Chief Electoral Officer to make out a new writ of election for the said electoral district.

At eleven o'clock the house adjourned, without question put, pursuant to standing order.

Tuesday, May 21, 1935

The house met at three o'clock.

PRIVATE BILL

Mr. JOHN VALLANCE (South Battleford) moved:

That the petition of Dora Eleanor Mathieson Campbell, of Charlottetown, Prince Edward Island, praying for a bill of divorce from James Oliver Clair Campbell, of Charlottetown, Prince Edward Island, together with the report of the clerk of petitions thereon, be referred to the standing committee on standing orders for the purpose of considering the suspension of standing orders 92 and 93 (3) (a) and (c) in relation thereto.

Motion agreed to on division.

PRIVILEGE—MR. SPENCE

On the order for motions:

Mr. DAVID SPENCE (Parkdale): Mr Speaker, I rise to a question of privilege. Yesterday the hon. member for North Wellington (Mr. Blair), in making his protest against the spending of $1,000,000 for the construction of the tunnel under the western channel of the harbour of Toronto, talked about everything under the sun. In fact he talked about—

Some hon. MEMBERS: Order.

Mr. SPEAKER: Will the hon. member be good enough to state the question of privilege?

Mr. SPENCE: I wish to correct a statement the hon. gentleman made about the hon. member for Parkdale; I assume I am the person to whom he was referring. He said that in 1930 he had been in Toronto and had seen some parades of the unemployed, and that he found these men wearing buttons and ribbons bought by the hon. member for Parkdale. I just wish to make the statement that I never bought a button or a ribbon. I never had anything to do with parades of agitators; I am not an agitator myself. I have never had to resort to mean tactics of that kind to defeat my opponent. If I cannot do it fairly I do not want to do it at all. For the last four or five elections my opponents in the constituency of Parkdale have been gentlemen, and I do not like to have a man come to this house and make statements of this kind.

Mr. SPEAKER: I think the hon. gentleman has stated the question of privilege.

QUEBEC HARBOUR COMMISSION

On the orders of the day:

Mr. PIERRE-F. CASGRAIN (Charlevoix-Montmorency) (Translation): Mr. Speaker, may I enquire from the hon. Minister of Marine (Mr. Duranleau) as to when I may expect the return promised by him in answer to certain questions appearing on the Order Paper of February 13 last? At that time the hon. Minister of Marine made the following statement:

> I think the question should stand as an order for return and I shall table the information received from the harbour commission.

The questions referred to were in connection with the Quebec Harbour Commission. When I enquired as to that return, on the 5th of April, I was given the following reply by the hon. Minister of Marine:

> Mr. Speaker, I shall inquire from the officials of my department; I hope to be able to bring down the return in a few days.

Hon. ALFRED DURANLEAU (Minister of Marine) (Translation): Mr. Speaker, I do not recollect whether we received the papers before the adjournment of the house, in April last. I do not think so. However, I can promise my hon. friend that I shall make it a point to secure them between now and the end of the week, and that they shall be brought down.

SANTO DOMINGO TARIFF

On the orders of the day:

Hon. R. B. HANSON (Minister of Trade and Commerce): Mr. Speaker, at yesterday's sitting of the house, I promised the hon. member for Antigonish-Guysborough (Mr. Duff) that I would inquire into the position respecting the increased duties on Canadian and other products imported into Santo Domingo, and that I should give the house the exact position of this matter.

I would first of all like to make an explanation in regard to one statement which I made yesterday. I mentioned that long previous to the time he had brought this matter to the attention of the government in this house representations had been received in regard to it from exporters in Nova Scotia. I find on looking into the position that the matter was first brought to my attention in a telegram which I received from a firm in Halifax on March 12. The hon. member for Antigonish-Guysborough first brought this matter to the attention of the house in a question which he asked on March 13.

The position with respect to Santo Domingo is that in consequence of a revision of internal taxes in that republic made on March 13, 1935, by-law No. 854, known officially as "Taxes on goods for sale, use and consumption," additional duties are now being imposed which are particularly severe on certain Canadian products which have comprised our chief exports to Santo Domingo.

Dried and salted fish, formerly subject to the ordinary customs tariff of 2¼ cents per kilogram—about one cent per pound—

Mr. DUFF: Two and a quarter cents,—not "one-quarter."

Mr. HANSON: I said "two and a quarter cents per kilogram"—is subjected to a new internal tax of fifteen cents per kilogram—about seven cents per pound—making the combined duties eight cents per pound. There has also been an increase in the total duties on potatoes from 55 cents to $1.38 per bushel, and an increased duty on onions from 91 cents to $2.27 per 100 pounds. The department received strong representations from exporters in the maritime provinces, and a communication was addressed to the British minister at Santo Domingo with the request that efforts should be made to secure relief from the burdensome duties imposed on those products which Canada has chiefly been exporting to Santo Domingo. We are still awaiting a reply to these representations.

I wish to repeat what I stated yesterday, that although the increased duties introduced by Santo Domingo affect particularly products which Canada has been shipping to that republic, the internal taxes in question apply equally to the products of all countries, and increased taxes have been imposed on goods which Canada does not ship in large quantities to Santo Domingo. It is therefore not correct to state that this action is directed against Canada. Furthermore, the balance of trade between the two countries has recently been in favour of Santo Domingo. In the fiscal year ending March, 1935, imports from Santo Domingo were valued at $1,314,939 as against exports of Canadian products to Santo Domingo valued at $261,275. The chief import from Santo Domingo during the last fiscal year was 1,311,004 cwt. of sugar valued at $1,312,837. I mention this because the hon. member for Antigonish-Guysborough attributed the increased taxes on Canadian products imported into Santo Domingo to the high rate of duty imposed on Santo Domingo sugar imported into Canada. The duty on raw sugar imported into Canada from foreign countries is regulated in accordance with the preferences granted sugar imported from the British West Indies as the result of the Canada-West Indies trade agreement, which was concluded on July 6, 1925, for a period of twelve years by the Liberal government of that day.

Mr. WILLIAM DUFF (Antigonish-Guysborough): Mr. Speaker, I do not know if I may answer the minister, but I believe I may refer to it as a question of privilege. I appreciate the fact that he made the explanation he did make a few moments ago. I notice, however, that in his statement he said—

Mr. SPEAKER: The matter is not the subject of debate. If the hon. member would like to ask a further question, he may do so, but I must observe the point is not a matter of argument at the present time; nor does any question of privilege arise.

Mr. DUFF: It seems to me there is a question of privilege in connection with the statement I made yesterday and those made yesterday and to-day by the Minister of Trade and Commerce. To-day the minister states he received a telegram on March 12 from Pickford and Black. If hon. members would look at Hansard for March 13, page 1663, they would find that the minister stated on that day:

> I would say that a telegram was received this morning—
>
> [Mr. R. B. Hanson.]
>
> March 13—
>
> —from Pickford and Black, but no other communications so far as I am aware have been received.

Consequently either the minister or his official was wrong, or there is something wrong with his statement made to-day.

Mr. HANSON (York-Sunbury): There is nothing wrong with the statement. The telegram came on March 12 and I did not see it until March 13.

Mr. DUFF: But the minister said "a telegram was received this morning"—not that it came on the twelfth.

Mr. HANSON (York-Sunbury): Received by me.

Mr. DUFF: There is no question in my mind that the minister got his telegram when I received mine which was about twelve o'clock noon on March 13. The minister has tried to give himself the credit, and has tried to place himself in a position which would indicate that he received the telegram before I did, in fact he stated yesterday he had received representations long previous to my bringing it before the house. He now admits he did not state the facts.

Some hon. MEMBERS: Order.

Mr. DUFF: I can understand hon. members yelling "order," but I will not let the minister put this over, because I am in closer touch with the Santo Domingo situation than he or any other member of the government has been or is.

DUTY ON SALTED FISH

On the orders of the day:

Hon. R. B. HANSON (Minister of Trade and Commerce): Mr. Speaker, yesterday the hon. member for Bonaventure (Mr. Marcil) asked a question respecting the Italian duty on salt fish, and I should like to make the following answer:

Dried codfish, of which exports to Italy were about one-half million dollars in each of the calendar years 1933 and 1934, had been entering Italy free of duty up to September 24, 1931. On that date a special new duty of 15 per cent ad valorem was introduced and applied to imports in general, including codfish. There has been no change in the Italian tariff on codfish since that date.

An Italian royal decree law, effective on February 19, 1935, instituted an import licence system affecting practically all imports into Italy. The purpose of the system was officially

stated to be the maintenance of the value of Italian currency by reducing a rising adverse trade balance.

Import control is exercised by allowing the importation of fixed percentages of what was imported during the corresponding period in the year 1934. The percentage limits vary for different products and range from 10 per cent to 35 per cent, the percentage for codfish being fixed at 20 per cent. The quotas are fixed with reference to total imports into Italy, regardless of the country of origin and without discrimination against any particular supplying country. There is a provision, however, that imports may be increased from countries which agree to purchase Italian exports either by means of clearing agreements between the exporting country and Italy or by barter agreements between individual Italian and foreign firms.

Provision is further made for modifying these quota restrictions by means of trade agreements effected between Italy and other countries. In such case a larger quota may be allotted for the country concluding an agreement with Italy based also on a percentage of previous total imports. Shortly after the Italian quota restrictions came into force steps were taken to enter into negotiations with Italy for the conclusion of an agreement which would result in larger quotas being accorded to Canadian products. In this regard an offer has been submitted to Italy and we are now awaiting the outcome of the discussions which have taken place.

UNEMPLOYMENT RELIEF CAMPS

STRIKE OF WORKERS IN BRITISH COLUMBIA—STATEMENT BY THE PRIME MINISTER

On the orders of the day:

Mr. ANGUS MacINNIS (Vancouver South): I would like to direct a question to the Prime Minister in reference to the situation in Vancouver because of the presence there of a number of men from the unemployment relief camps. In this morning's paper—I have the Ottawa Journal before me—there is the report of a statement made by the mayor of Vancouver when meeting a number of representatives of the men yesterday, and I should like to quote very briefly from the statement of the mayor, and then base my question upon what I have read. The mayor, in a telephone conversation I believe with the hon. Minister of National Defence (Mr. Stirling) said:

> A condition exists which justifies the national government intervening to bring about a settlement which would avoid any clash between the strikers, their sympathizers and the police. Although I got no encouragement from Mr. Stirling that the national government would cooperate, he finally agreed to submit the proposal to Prime Minister Bennett.

I would ask the Prime Minister if this matter has been drawn to his attention and if he has any statement to make to the house.

Right Hon. R. B. BENNETT (Prime Minister): Mr. Speaker, if the hon. gentleman had been good enough to give me some intimation that he proposed to ask the question I would have brought with me papers that would have enabled me to deal with the matter in more detail. I shall be glad, however, to make a statement now subject to any corrections that may be necessary, relying entirely as I do upon my memory for the present statement.

In the early part of this year, as well as last year, representations were made by the provinces that they were unable to care for their unemployed without assistance from the federal government. The federal government did make contributions in money to enable the provinces to care for the unemployed, as is their constitutional duty.

Another question, however, arose with respect to transients, single unemployed men, and with respect to them the provinces other than Prince Edward Island urged that steps be taken by the federal government to provide entirely, so long as they remained in the camps, for the upkeep of these men. The federal government acceded to that request and camps were established in every one of the provinces except Prince Edward Island for single unemployed men. These men were supplied with food, with shelter, with clothing, and a small per diem allowance for incidentals. There has been no trouble of any importance in any of the provinces except British Columbia.

The conditions under which these camps were maintained were three: First, that there should be the power of rejection with respect to applicants who were known to be of a troublesome character and whose introduction into the camps was solely for the purpose of making trouble. Secondly, there were no disciplinary measures contemplated or provided for. Thirdly, whenever an opportunity for work offered, any person who was in these camps might avail himself of that opportunity for work. In addition to that steps were taken where regular employment was offering to point out to those in the camps that the opportunity was afforded to them to find employment.

Last year the premier of British Columbia and his attorney general represented to this

government that they were experiencing great difficulties in connection with logging operations in that province through the activities of agitating communists. They had no hesitation in saying that that was so. In the month of April this year we were advised that a strike might be imminent in the camps in British Columbia, and the British Columbia authorities were advised accordingly. Might I state here what must be known to every member of this house, that the federal government under our constitution cannot take any steps towards the preservation of law and order or the administration of criminal law in any province of this confederation except at the request of the provincial authorities. We therefore cannot do any legal act with respect to those who are themselves engaged in illegal transactions except such action be taken at the request of the province.

Owing to the agitation that took place, owing to the action of the agitators in the camps of British Columbia, large numbers of the men left their camps and went into the city of Vancouver. The result was that there was a large number of unemployed single men from these camps who claimed that the province should supply them with sustenance. The province, of course, could very properly reply that they did have sustenance provided for them in the camps, but the men would not go back to the camps and have not gone back to them. In the meantime, for reasons that are best known to themselves, the provincial authorities have intimated that a duty was cast upon the federal government to expand its currency by a species of inflation and provide work and wages in that manner for those who had left the camps and gone to the city.

I have not yet sent a communication to the premier of British Columbia except in general terms when last night a message was dispatched to the mayor of Vancouver and a copy sent to him, for there is no medium of contact between the municipalities and the dominion with respect to matters of law and order. The province, and the province alone, is the competent authority with which the dominion deals, and can only deal so far as our constitution is concerned until it is amended from its present form. I have drafted a communication to the premier of British Columbia in which I have endeavoured to point out that if the province fails in its duty to prevent a condition of chaos and anarchy arising, if they fail in their duty to maintain law and order in the province of British Columbia, it will only be because they have not availed themselves of the opportunity of requesting the federal government to lend them such assistance as may be required for that purpose, for until that is done any action on the part of this dominion would be wholly illegal and would be a compromising of our own position with those who may themselves be violating the law. Ever since there was the first intimation that in the province of British Columbia there was dissatisfaction it has always been maintained by the federal government that they are ready and prepared to discuss with the provincial government the situation in all its details. We have again repeated that position. But I do assert, and I believe I represent the considered opinion of every thoughtful man in this dominion, that as long as there are incentives being given to men to maintain a chaotic and anarchic condition in the city of Vancouver or elsewhere in the province of British Columbia, there can be no adjustment of differences or difficulties. The differences and difficulties, whatever they may be, the federal government will be glad to consider with the provincial government, but it is a condition precedent to any such action that law and order be maintained by those who are responsible for it, and if they are unable to do so that they call upon the federal government for such assistance as will enable them to do so. There can be no trifling with anarchy, there can be no playing with chaos, and so far as this government is concerned it proposes within the ambit of its power to be always ready and willing to assist those who are charged with that responsibility if they find themselves unable so to do themselves. But mob violence, mob threats, mob law will not be the means by which to deal with matters of this kind between the province of British Columbia and the Dominion of Canada.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): May I ask the Prime Minister if I were right in understanding him to say that the only assistance asked by British Columbia was in the nature of inflation of the currency by the federal government?

Mr. BENNETT: No. I said involving inflation of the currency, providing work and wages, which is a favorite panacea suggested by the premier of British Columbia and the mayor of Vancouver for dealing with this problem.

Mr. MACKENZIE KING: Is that the only form in which the request was made?

Mr. BENNETT: There may have been other requests added to that. I have simply reviewed the facts as carefully as I could, speaking from memory and in view of the limited time at my disposal since I returned, but that is the fact as I read it from the communications that have come to the federal authority.

UNEMPLOYMENT RELIEF CAMPS—QUEBEC

On the orders of the day.

Hon. ERNEST LAPOINTE (Quebec East): With regard to these unemployment relief camps, may I ask a question of the Minister of National Defence. I was informed during the recess that at one of the camps in Quebec people from outside are engaged in masonry and other work and are receiving the full pay of their trades while the boys in the camps who are doing the same work are only receiving twenty cents a day. Is that to be the policy of the department in connection with these camps?

Hon. GROTE STIRLING (Minister of National Defence): Would the hon. member be good enough to give me the name of the camp to which he is referring?

Mr. LAPOINTE: Valcartier.

Mr. STIRLING: In general terms, tradesmen are employed in small numbers. A certain number of carpenters, plumbers, masons and so on are employed but the balance of the work is done by the men receiving the ordinary allowance.

CANADIAN FARM LOAN BOARD

On the orders of the day.

Hon. ERNEST LAPOINTE (Quebec East): Mr. Speaker, during the recess a new farm loan board was appointed and a change was made in the executive officers in the various provinces. I think the house is entitled to know what changes have been made and the reasons for the changes.

Right Hon. R. B. BENNETT (Prime Minister): The question of the hon. member for Quebec East (Mr. Lapointe) will be treated as a notice. In the absence of the Minister of Finance (Mr. Rhodes) I shall endeavour to have a statement prepared to be presented to-morrow. If that is not possible, it will be given later.

I should like to supplement what I said a moment ago with respect to British Columbia. The premier of British Columbia asked for some additional mounted police assistance and I believe some eighty additional men were supplied for the purpose of maintaining law and order.

LOAN FLOTATION

On the orders of the day:

Right Hon. R. B. BENNETT (Prime Minister): Mr. Speaker, a statement appeared in the Toronto Star which intimated that the recent loan put through by the dominion government was to be regarded as a mystery loan. It was stated that this loan was put through with great speed and was gobbled up by the banks, the insurance companies and the trust and loan companies without the public being given a real chance to participate. I regard it as important that I should make a statement without waiting the return of the Minister of Finance (Mr. Rhodes).

The facts are precisely opposite to what appeared in that journal. There has never been a loan where the banks and insurance companies received such a small proportion of the total issue or where the participation of the general public was so large, so general and so immediate. A loan of $60,000,000 was offered to the public on the morning of Wednesday, May 15, and the books were closed with a substantial over-subscription at 10 p.m. of the same day. The loan was offered in two maturities, an eight year two and a half per cent coupon bond yielding about 2·57 per cent per annum and a twenty year, three per cent coupon bond yielding 3·10 per cent to the purchasers. As the loan was substantially over-subscribed the larger allotments were cut down. Of the total of $60,000,000, $20,000,000 allotted were eight year bonds and $40,000,000, twenty year bonds. I asked for a short analysis of the allotments and up to date they disclose that the chartered banks were allotted only 16·1 per cent or $9,657,000 of the total of $60,000,000. The Department of Finance advise that only three insurance companies were included in the applications for loans and that their total subscriptions placed through dealers amounted to only $1,525,000. I am informed that insurance companies and other financial institutions have since made purchases from original subscribers. One case came to the attention of the officials in which three insurance companies purchased bonds to the extent of over $1,000,000 from original subscribers to the loan. The greater proportion of this loan was subscribed for by the general public through dealers. I think it is desirable that this house which is so jealous of the public credit should know that the statement that the large financial institutions and the government had participated in a mystery loan was wrong. I desired to have the real facts placed before the house

CONVERSION OF LOANS

Hon. W. D. EULER (North Waterloo): In view of the fact that a recent loan has been taken up at such favourable rates of interest I should like to ask the Prime Minister (Mr. Bennett) if it would not be worth while to refund the balance of the Canadian debt upon which we are now paying such high rates of interest.

Right Hon. R. B. BENNETT (Prime Minister): No one should know better than the hon. member for North Waterloo (Mr. Euler) the difficulties attendant upon the conversion of loans as large as those of the Canadian government and the Canadian National Railways.

Mr. EULER: I was not speaking of the Canadian National Railways.

Mr. BENNETT: The Canadian government loans mature (a) in Canada, (b) in the United Kingdom and (c) in the United States of America. With respect to those that mature in Canada I may say that there are difficulties connected with the tax exempt provisions of some of the loans which will mature in 1937, as the hon. gentleman knows. With respect to the loans maturing in the United States I do not think it is necessary for me to refer to them at this moment. With respect to the loans maturing in Great Britain, when I was in that country last fall the brokers for the Dominion of Canada represented that we could usefully and, shall I say, gainfully provide for conversion, and we took up the matter. The public credit of Canada was injured to some extent in London by the Vancouver incident, so called, but whatever was left was completely destroyed by the action of the legislature of Ontario. For the information of the house I may say that we were prepared to carry out the conversion of the £28,000,000 which will mature at an early date but in consequence of the passing of that particular legislation this matter had to be abandoned. Any one who has an opportunity of visiting the city of London will find the condition which now prevails there with respect to our credit and will realize that the situation is extremely difficult. The loss involved to the Dominion of Canada through the necessity of abandoning the conversion which had been provided for will amount to $700,000 per annum for the next twenty years.

Mr. HOWARD: Will the minister give us the callable features on the loan which has just been put out?

Mr. BENNETT: I do not have them before me.

PRIVILEGE—MR. DUBOIS

On the orders of the day:

Mr. LUCIEN DUBOIS (Nicolet) (Translation): Mr. Speaker, at the inquiry held by the Board of Railway Commissioners at Victoriaville, on May 16, 1935, and at Nicolet on the following day, the 75,000 citizens that the subject-matter of the inquiry interested, as well as myself, were insulted by a public official.

The facts are as follows:

At the opening of the inquiry, Mr. Rand, the Canadian National Railways' advocate, gave evidence in English. We did not contest his right to do so. He was answered likewise in English by Mr. Wilfrid Gariépy, a lawyer from Three Rivers.

When the latter had finished testifying, I humbly submitted to the chairman, Mr. Napoléon Garceau, that inasmuch as the interested parties were all French Canadians and that the evidence given would have to be translated into English for the final hearing of the case, the inquiry should be continued in French.

Mr. Garceau cavalierly refused to grant my request and ordered the third witness to testify in English, on the ground that it was important, for the purposes of the case, to make a good impression on the English-speaking commissioners, and therefore it was better to use the English language.

This unfortunate remark—

Mr. SPEAKER: Might I ask the hon. member if he is asking a question?

Mr. DUBOIS: Yes.

Mr. SPEAKER: I regret I cannot follow the hon. member and wonder if it would be possible to have the question in English.

Mr. DUBOIS (Translation): —implied that the witnesses who testified in French did not serve the cause of the interested parties as well as those who gave evidence in English.

I strongly protested because the citizens of the Province of Quebec had to submit to such treatment—

Mr. SPEAKER: I understand that the hon. member states that he was insulted by a government official at an inquiry held under authority of the railway commission. That is not a matter of privilege in this house. The hon. member is out of order. The incident to which he refers occurred outside the house; it is not a matter of privilege.

AEMILIUS JARVIS CASE

On the orders of the day:

Hon. HUGH GUTHRIE (Minister of Justice): I wish to bring up a question of privilege in regard to a press dispatch which appeared in the Ottawa newspapers of yesterday afternoon, and which was brought to my attention by friends last night, in which a charge is made, among other things, that the Minister of Justice was guilty of a gross breach of faith in regard to an incident described in the newspaper article. The dispatch comes from Toronto, dated May 20, and is as follows:

Toronto, May 20.—(C.P.)—Hon. A. W. Roebuck, Ontario attorney-general, to-day started his inquiry into the case of Aemilius Jarvis, former Toronto broker, to determine if he will recommend to Hon. Hugh Guthrie, federal Minister of Justice, that Jarvis be granted a new trial.

In October, 1924, Jarvis, along with the late Peter Smith, provincial treasurer in the former Drury government, was convicted on a conspiracy charge. Smith was sentenced to three years in penitentiary and a joint fine of $600,000 with Jarvis. Jarvis was sent to county jail for six months. On appealing his sentence Jarvis' fine was reduced to $60,000 and in addition he was forced to make restitution of $140,000 profit allegedly made on a bond deal with the Ontario government.

Efforts to obtain a new trial were unsuccessful. When he renewed his plea, the government of Premier Hepburn instructed Mr. Roebuck to inquire into the case.

Criticism was voiced by Mr. Sedgwick, of the Ontario attorney-general's department against the Minister of Justice for turning over to Jarvis' lawyers "a private and confidential document" prepared by the attorney-general's department on the case after petitions had been presented to the federal minister asking a new trial.

"Unless I am mistaken, it is a gross breach of faith to hand over a private and confidential document to the party about whom it is written," declared Mr. Sedgwick.

"If the attorney-general's statements in the document are true, I don't see why it should be private and confidential," retorted Mr. Hayden.

"We are not trying the good faith of the minister at Ottawa," Mr. Roebuck interjected.

Two of my friends last night informed me that the article specifically charged me with being guilty of a gross breach of faith, and I have no doubt the public may consider it as a direct reference to myself—and as this dispatch has received very wide circulation throughout the province of Ontario and probably throughout the Dominion of Canada, I desire to enter a formal denial.

The incident referred to in this article occurred in the month of December, 1928, nearly two years before I became Minister of Justice; but while speaking in my own defence, I think I may also join with myself my predecessor in that office and speak for him as well, because there is no foundation in fact, and nothing in the circumstances, to warrant such a statement being made by an official of the Attorney General's department in Toronto either against myself or my predecessor. The incident was simply this. In 1928 application was made to my predecessor for a new trial, and a communication had been received by the Minister of Justice from the Attorney General of Ontario in regard to the Jarvis case. Jarvis was represented, in the application for a new trial, by Mr. Aimé Geoffrion, K.C., and Mr. A. G. Slaght, K.C., of Toronto. They asked to see the communication received by the Minister of Justice from the Attorney General of Ontario, but as is the rule in the department, all such communications are considered private and privileged and they were informed that the document could not be handed to them. However, they said that they would like to see it in order that they might be able to answer it, and the Minister of Justice, the hon. member for Quebec East (Mr. Lapointe), instructed an official of the department to communicate with the Attorney General of Ontario and obtain his view on the matter, as to whether the document should be handed over or not. Accordingly, on December 13, 1928, a telegram was sent to the Attorney General of Ontario by M. F. Gallagher of the remissions branch, which deals with questions of this kind. A reply was received the following day. While I have not the reply before me, I have the letter confirming it and I will read it to the house. It is dated Toronto, December 15, 1928, and reads:

My Dear Mr. Gallagher:—

I confirm as follows telegram sent you yesterday,—

"M. F. Gallagher,
Chief Remissions Branch,
Dept. of Justice, Ottawa, Ont.

Re Aemilius Jarvis

The attorney-general for Ontario has no objection to the Minister of Justice submitting copies of his letter and enclosed memorandum to Mr. Geoffrion or others having the same interest. Writing.

E. Bayly."

As this was, I believe, all you wanted, I do not think it is necessary to make any further explanation.

Yours faithfully,

E. Bayly,
Deputy Attorney-General.

M. F. Gallagher, Esq.,
Chief of the Remissions Branch,
Department of Justice,
Ottawa, Ont.

That is the whole incident, and on that a departmental official in the attorney general's department in Toronto states that the Minister of Justice has been guilty of a gross breach of faith, without naming the Minister of Justice and without giving the date of the incident. I bring it to the attention of the house because the article is thoroughly unfounded in fact and unwarranted in the circumstances.

Hon. ERNEST LAPOINTE (Quebec East): I may say that as far as my memory serves me the facts of this matter are exactly as related by the Minister of Justice.

CANSO BAIT FREEZER

On the orders of the day:

Mr. A. E. MacLEAN (Prince): I wish to bring to the attention of the acting Minister of Fisheries the following press dispatch:

Ottawa, May 19.—Following representations from the Fishermen's Co-operative Unions to Hon. E. N. Rhodes, Minister of Finance, the dominion government has agreed to assist in establishing a modern bait freezer at Canso, N.S. The bait freezer will be an adjunct to the fish reduction plant already established there and a cold storage plant will also be provided.

May I ask the minister under what vote this allocation of money has been made to Canso, and whether similar consideration will be given other points in the maritimes.

Hon. GROTE STIRLING (Acting Minister of Fisheries): I was not able to follow closely the question asked by the hon. gentleman. I shall be glad to read it in Hansard and give an answer.

BUSINESS OF THE HOUSE

VICTORIA DAY SITTING

On the orders of the day:

Right Hon. R. B. BENNETT (Prime Minister): Yesterday reference was made to the question whether the house should sit on May 24. The government is entirely in the hands of the house and the wishes of the house will be respected, if hon. members have any wishes at all in the matter. I desire to make it clear that if they desire the house to sit it will sit; if not, it will not. Perhaps hon. members might think about the matter until to-morrow, when we will arrive at an official conclusion.

FURTHER LEGISLATION

On the orders of the day:

Right Hon. R. B. BENNETT (Prime Minister): The leader of the opposition yesterday asked as to further legislation. Notices of five measures are being placed on the order paper to-day, arising out of the price spreads commission's report. There are two or three other bills that arise out of that. There is the housing committee report on which legislation will be framed and a bill will be introduced to confer upon the government power to deal with the problems of what are called clearing house agreements and the sale of commodities through the use of exchange arising from the sale in our market of commodities of other countries. There may be some further departmental measures, but beyond those I know of nothing else. I think it well to say this to the right hon. gentleman and as soon as I have fuller information I shall furnish it to the house.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): I thank the Prime Minister for the information he has just given to the house.

In regard to sitting on the twenty-fourth day of May, may I say at once that whatever the government decides will be wholly acceptable to this side of the house.

FRENCH TRANSLATION OF REPORTS OF COMMITTEES

Mr. E. R. E. CHEVRIER (Ottawa): May I ask the Secretary of State when we may expect the French translation of the reports of the price spreads committee, the British North America Act committee and the housing committee?

Hon. C. H. CAHAN (Secretary of State): In regard to the price spreads commission report, the translation was completed on Saturday last and the final pages of translation were sent to the king's printer, who has been at work upon the printing of those pages yesterday and to-day. This may take another day. I cannot give a definite statement as to the exact number of hours required to complete the work.

Mr. CHEVRIER: What about the reports of the British North America Act committee and the housing committee?

Mr. CAHAN: I have no personal knowledge of those being before the bureau for translations, but I shall make inquiries.

Mr. TURNBULL: The British North America Act committee has not yet reported.

CANADIAN GRAIN BOARD

Mr. JOHN VALLANCE (South Battleford): I would like to ask the Prime Minister if he can indicate to the house when we may

expect to deal with the resolution now standing in his name proposing to set up a wheat board or at least a grain board?

Right Hon. R. B. BENNETT (Prime Minister): When other business more pressing is disposed of that will be dealt with in due course.

PENSIONS FOR THE BLIND

Mr. J. S. WOODSWORTH (Winnipeg North Centre): When may we expect to have the report of the industrial and international relations committee dealing with the question of pensions for the blind?

Mr. BENNETT: It will be dealt with in due course on the order paper as I suppose the hon. gentleman knows.

PUBLIC WORKS PROGRAM

WORKS, UNDERTAKINGS AND GUARANTEE OF RAILWAY EQUIPMENT SECURITIES TO CREATE EMPLOYMENT

The house resumed from Monday, May 20, consideration in committee of Bill No. 63, to create employment by public works and undertakings throughout Canada and to authorize the guarantee of certain railway equipment securities—Mr. Stewart (Leeds)—Mr. Morand in the chair.

On section 2—Authority to execute and complete works.

Mr. ELLIOTT: When the house rose last night, I was answering some of the criticisms that had been made of the attitude of hon. gentlemen on this side in regard to this bill. Since that time I have had an opoprtunity of seeing the order in council that was passed in 1913. One of the claims made and urged very strongly by my hon. friends opposite was that this was a compliance with an agreement that had been entered into at that time. I do not know that that is an altogether incorrect statement, but may I point out that so far as I am able to ascertain, no agreement was ever entered into between the government and the harbour commission. What took place was that an order in council was passed providing for the expenditure by the government of an amount that was then estimated, including the bridges that have been referred to in this discussion, at $6,400,000. As regards the bascule bridge as a substitute for which the tunnel is now proposed, the estimate for that bridge has been referred to by some hon. gentlemen opposite as being $800,000. On looking at the order in council I find that the estimate for the two bridges, that is two bascule bridges, one over the eastern entrance and the other over the western entrance to the harbour, is $800,000. One of those bridges is not now being asked for, and the western bascule bridge, as I understand the matter, would not cost any such amount as the $800,000 that has been mentioned. Those items may not be very material, but when my hon. friends opposite criticize the objections made to this bill and rather suggest that some hon. members on this side are objecting to this on the ground that it is wrong, I think they are not being quite fair to the committee. The fact is that whereas the estimate of the expenditure to be made by the government at that time was $6,400,000, the statement handed to me by the Minister of Public Works and read to the house last night shows that since that time the government have expended $9,542,459 in connection with the harbour of Toronto. Therefore it is quite apparent that the amount already paid is about one and a half times as much as the amount that was contemplated in the original order in council.

It is not the question of that difference that prompts me to take the objection that I have felt bound to take to this item. I realize how anxious members on both sides for that district are to have every expenditure possible made there, but there are many other districts that are not being given any expenditures at all at the present time. Further, as regards the airport which was given as the reason for building this tunnel, the plans of the airport as they appear at the present time seem to be dated at a time about April 25 and May 2, 1935, so that so far as the portion dated May 2 is concerned, the plans were made after this matter had been brought up in the house. We adjourned on April 17, so that those plans were prepared since this bill was introduced into the house with the suggestion that we should have only until six o'clock on the evening of April 18 in committee to consider whether the bill should go through as introduced.

Perhaps I have said everything that I can say in regard to the bill. I still feel at a time like this, that this is not the way in which public money should be spent. There are several other matters, as I and other hon. members on this side have intimated, upon which money could be more advantageously spent at the present time.

I do not know that I can add anything further; I do not want to take up more of the time of the committee, but I do think it my duty to direct attention to the fact that already about one and a half times the amount agreed upon, if you call the passing of the

order in council an agreement—and I am not quarrelling particularly with that—has been spent.

Mr. SPENCE: Then why mention it?

Mr. ELLIOTT: I mention it just to show my hon. friend that we are not bound by an agreement to go on and do this work, that there never was an agreement. There was an order in council; the amount contemplated in that order in council has been expended, and fifty per cent more than that amount has been spent up to the present time. I think that is a pretty complete answer to the agreement question. So far as the airport is concerned, that matter has been dealt with already. Of course no one contends that the airport was in contemplation when the order in council of 1913 was passed.

Mr. WOODSWORTH: Mr. Chairman, it seems rather difficult for the ordinary member to determine, from what has been said in this discussion, just what really were the terms of the agreement. If it is an agreement I suppose we must go through with it, but I would join with others in urging that unless this is an iron clad agreement there are other ways in which this money might very well be spent to greater advantage. I suppose we cannot discuss railway crossings, housing and so on under this item—

Some hon. MEMBERS: Yes, we can.

Mr. WOODSWORTH: We are trying to adhere to some extent to the particular clauses under discussion, and under those circumstances I do not want to go into these other matters. I would urge, however, that the housing needs of this country in cities like Toronto, Montreal, my own city of Winnipeg, and Vancouver are of very much greater importance than a matter of this character. In addition, the hon. member for St. Boniface (Mr. Howden) pointed out that some of our cities have other very urgent needs. In my own city, for instance, there is the sewer scheme that is now hanging fire because of the difficulty of financing it. As I have listened to the discussion it has seemed to me that to provide a tunnel as part of a harbour scheme is stretching things just a little bit; it would seem as though this is a little aside from what we ordinarily consider to be definitely connected with harbour developments. I find a further difficulty in knowing whether we ought in any way to submit these matters to the city of Toronto or the authorities of that city. The Prime Minister has taken the stand that this federal government cannot deal with individual municipalities. If that be the case, in this matter it is difficult for us to deal with any other body than the province of Ontario.

I think I should submit to the committee a telegram I have just received from the mayor of the city of Toronto which indicates the viewpoint at least of the civic authorities and which may help clarify the issue so far as that point is concerned. It is dated May 21, and reads as follows:

> Anything less than the whole of the million dollars for a tunnel from Toronto's mainland to Hanlan's point of Toronto island will be regarded as discrimination against Toronto in the light of its needs and its importance, and opposition to this project does not represent views of majority of city council, board of trade and labour men generally. This fact should be made clear to the members of the House of Commons.

That is signed by Mayor James Simpson. I read this telegram, as indicating the point of view of the city of Toronto itself, but the telegram does not alter my view that whatever may be thought by the city of Toronto with regard to this particular expenditure of money, on the whole there are other ways in which the money could be expended at this time to very much greater advantage.

Mr. CHURCH: Does the former Minister of Public Works propose to make a scrap of paper out of this agreement of 1913, under which the city of Toronto has spent about $8,000,000, the federal government $8,000,000, and the harbour commission some $28,600,000? I was in the office formerly occupied by the ex-minister when Mr. Rogers was Minister of Public Works, and at that time Mr. Rogers insisted that the work should go on under this agreement at once. He wanted the city to put a spade in the ground first, and we did so. He insisted on a new harbour, starting with the breakwater just beyond Queen's wharf, and that work has been completed with the exception of the work in connection with these two bridges. So I say this is a contract. As the hon. member for West Middlesex (Mr. Elliott) has said, it is true that a tunnel is not mentioned in that agreement, but two bridges to cost $400,000 each are, and at the present estimate one of these bridges will cost about $1,000,000; so it does not make any difference which is built, so far as cost is concerned. The cost of labour and material has gone up, and it is estimated that it will take in the neighbourhood of $1,000,000 to build one of these two bridges. In addition, a bridge is not a modern means of transportation in connection with waterways.

As a member from the city of Toronto, which has spent all this money in good faith, I feel it my duty to say something about what were nothing less than misstatements of fact. I do not wish to use that term, but I must say hon. gentlemen opposite did not know the facts. Yesterday it was stated that there were only two or three hundred people on the island, interested in this project. I wonder if hon. gentlemen opposite know how many people visit the island annually. Last year nearly two million passengers were carried to the island by the ferry boats. I should like to read two or three short sentences from the report concerning the operation of the ferries:

> The island ferries, now owned by the city, were transferred to the management of the Toronto transportation commission in February, 1927. The fleet comprises six ferry boats and three freight craft, operating between the city mainland and the group of islands, part of the city, situated about two miles off shore. Ferry and freight service is provided between the mainland and three island points—Centre island, Hanlan's point and Ward's island. The one-way trip to any of these points is made in about fifteen minutes.

The ferry service was formerly operated by a private concern; then it became part of a system known as the Toronto Ferry Company. One of the principal directors of that company was Mr. Beatty, father of the president of the Canadian Pacific Railway, who was interested in this company from the time it was started. That company never made any money; it simply provided a service to the people of Toronto. I should like to say a word also with regard to some misstatements that have been made concerning Toronto harbour. In 1911 an act was passed relating to Toronto harbour. That was the constitution under which the harbour was developed, and I contend that Toronto harbour is purely a federal undertaking. The western entrance is owned by the government; the land covered by water is government property, and the eastern entrance is also owned by the government. Until recently even the life saving stations were government property. The turning basin at Ashbridge's bay and all these points referred to in this bill are federal property as well. The Toronto harbour commission sends the Minister of Public Works and the Department of Marine the very same government reports that are sent by the other eighteen harbours under the control of this government.

The ferry service has become out of date; it is a relic of the ox cart days. There is a ferry boat called the Luella, taken off this spring which was built in 1880 and used to be the judges' boat in the days when there were boat races when Edward Hanlan rowed Wallace Ross of Halifax on Toronto bay for the single sculls championship of the world. I have before me the shipping list, and on the list I find the Trillium which, I believe, is their best boat, and which was built in 1910. The Bluebell was built in 1906, and the remainder are boats which are relics of the ox cart days.

I will tell you that the ferries cannot carry the crowd. It is a wonder to me there have not been some accidents. The two entrances to the harbour are under the control of the government; and some government docks are under the control of the government. The proposed tunnel will be the property of the parliament of Canada, the King represented by the Minister of Public Works. They will own the tunnel,—not the city of Toronto or the harbour commissioners, and they will place rights of user in it in the city and harbour board. It is proposed that the tunnel will cross the channel at the western entrance. All the property surrounding the entrance to Toronto harbour is under the control of the Department of Public Works and the Department of Marine and Fisheries. The harbour board has to make a return to the government. This tunnel when built, will cross a navigable stream, the western channel and would be subject to all federal harbour laws. It will come under the Navigable Waters Protection Act.

Last night an hon. member suggested the money should be spent on housing. May I remind the house that housing is receiving special attention, and that a discussion of a housing scheme is at this time out of order under the anticipation rule. I admit Canada up to the present time has done nothing with the problem of housing, and that proper housing is badly needed. Undoubtedly that condition applies in the city from which I come. I sat as a member of the committee investigating the housing problem. The statement was made last night that some of the million dollars must be spent in slum clearing. May I say that I do not know of any city which has done more to remove level crossings than has the city of Toronto. The city has spent $8,000,000 for the building of viaducts to eliminate level crossings along the waterfront. In the present year Toronto has in its estimates a vote of a million dollars to be spent in the elimination of level crossings. That sum will be paid out of direct revenue or income and twenty per cent will be borne by and will come from the taxpayers of the city.

Last evening one hon. member from Wellington spoke about St. John's ward. The condition in St. John's ward has been greatly improved. For the information of hon. members may I say that this particular ward is an old section of the city bounded by University avenue, Yonge street, Bloor street and Queen street. It comprises two-thirds of the district back of the city hall, running up to College street and including the new hospital, some buildings owned by the T. Eaton Company and some other large buildings. Two-thirds of that section has been cleaned out and only a small part remains to be improved.

Last evening I stated that the board of trade had passed a resolution endorsing the scheme. May I observe that I referred to the board of trade, and not to the council and board of control of the city. May I say to the hon. member for West Middlesex that I think the present harbour board were badly advised when they did not choose first to go before the city council, as I used to do when I was a harbour commissioner. In that way I informed the city council as to what we were going to do. No doubt a mistake was made when that was not done, and I hope it will not happen again. I must say however that the city council has not yet met to pass judgment on the building of the tunnel. It was almost unanimous in approving the erection of bridges, as were ratepayers' associations and other public bodies.

I can tell the committee why the bridges were not built; it was simply because the city and the harbour board wanted to have finished the $8,000,000 breakwater first from Bathurst street to the Humber. As chairman of the commission I attended a conference with the late minister, who gave us every assistance. Upon that occasion we asked to have the bridges included. I believe the hon. member for Parkdale was with me, and he will remember that we were told we would get one of these things. We were asked by some of the harbour people, and by some others to allow the matter to stand until the next year in order to obtain the necessary amount of money to finish the breakwater and the improvements at Sunnyside.

The city of Toronto has a large investment in Toronto island. It is not correct to state that only 200 or 300 people would be affected. I say there are more than a million people in the Toronto district interested in this matter; they are keenly interested in having the island used by more people all of the time rather than by few people some of the time. Who are the 75 per cent of the island people whom the hon. member for West Middlesex described as being opposed to the building of the tunnel? Where do they come from? Are they ratepayers in the city of Toronto? I think he is referring to the two or three hundred people who live on the island and are opposed. There are at Ward's island about two hundred cottages. Centre island has lots of cottages, and Hanlon's island also forms a park larger than exhibition park. The park at Centre island consists of 331 acres, and part of the remaining area is a lagoon. In addition to that, the city has millions of dollars invested in water service intake pipes, pumping stations, water tunnels, and a filtration plant on the island. There is a sick children's hospital established by the late John Ross Robertson, a man of great heart. This institution has been established on Toronto island to take care of the smaller children of that wonderful institution during the summer months. Then, in addition there is the Royal Canadian Yacht club and many other aquatic clubs. There is a regatta course, and the additional attraction of a Coney Island at Hanlan's point. These are places which attract great numbers of people during the summer months. Ten times more would go, however, were it not for the difficulty of reaching the island by ferry. If any hon. member would care to go down to the foot of Bay street next Friday, May 24, he would see women struggling with small children, trying to get off street cars. Then they would have a long walk to reach the ferry boat, and a long walk after they got off the ferries, and would have a long stop-over at Hanlan's point. If hon. members could see the discomfort and inconvenience these people are caused they would not oppose changing the plans from the building of a bridge to the building of a tunnel. If a tunnel were built street cars would go through, and in about three or four minutes passengers boarding the cars in the city could be taken to the western end of the island. Undoubtedly the original harbour scheme received support in 1911 because of the inclusion of the provision for the building of bridges so that people would be able to get to the island and use it.

Only a very small percentage of the people of Toronto visit the island. In the city there are about 700,000 people and another three or four hundred thousand in the immediate vicinity. Many more of those people would use the island, if it were more easily reached. In addition to that picnics would come from five or six townships nearest the city. The corporation owns the radials and the buses, and

even at the present time picnics come to Toronto from points as distant as Hamilton and the section of the country north of that city. Even now some of them use the ferries to go to the island on a picnic, and I say that if we had the tunnel our buses and other forms of transportation would be able to handle the crowds.

Last night we heard the hon. member for North York (Mr. Mulock). Something was said also about works for the general advantage of Canada. Some time ago we used to hear that the Newmarket canal would be a work for the general advantage of Canada. Now, if you please, the town of Newmarket has forgotten all about the general advantage of Canada and the celebrated canal. They have relegated those things to the ox cart days. Approaching the town of Newmarket on the main entrance to the town proper, we behold a sign in letters the size of that clock, and what do we see? We read nothing about the Newmarket canal or the general advantage of Canada. No,—what is on it? "Newmarket, the home of the Newmarket junior O.H.A. champion memorial cup holders (Dominion champions".) That is the advertising done by the town of Newmarket,—now, they do not even talk about the famous canal.

Then many other matters are mentioned as not being for the general advantage of Canada. The hon. member for Halifax had something to say about it last night. May I say he was in my riding of East Toronto, and I was glad to see him down there. In Toronto harbour we have several boats which came with cargoes from Halifax. I have before me an interesting harbour booklet which contains illustrations showing crowds of people at the island—not 200 people, as we have been told. Here we see an illustration of the lagoon, and here are a dozen war canoes in a race and regatta. We have an illustration of a Dominion day regatta with crowds three times the size of those attending the Canadian Henley, or the Canadian Canoe Association Annual regatta. This book has a picture of a boat from Halifax, the Moyra, unloading sugar in Toronto harbour. Look at these pictures of the ships in the harbour, and the elevators, and the oil tankers. The tonnage using Toronto harbour has gone up from 200,000 to nearly 3,000,000 tons. Look at all these new steamers and the development that has taken place all over the harbour. And the taxpayers of Toronto have paid $28,000,000 for these improvements. Toronto harbour is not like Montreal harbour or Quebec harbour, which do not pay their interest, but the taxpayers of Toronto have to pay for the upkeep of their harbour, and they have contributed the annual deficits also. This book gives the history of the western entrance and of Toronto island. This western entrance was a work for the general advantage of Canada. It goes back to 1804 as set out in John Ross Robertson's Landmarks of Toronto, away back in the fifties and sixties. It goes back to 1804, and the war of 1812, when this western entrance stood right beside the old fort which was captured by the Americans in 1812. As I say, this book gives the history of the western entrance and of Toronto island. Toronto island is nothing but a huge sand bar acting as a breakwater to protect Toronto harbour.

My hon. friend from Shelburne-Yarmouth (Mr. Ralston) wants a bridge built to Sable island, where he says there are one hundred fishermen. I can tell him that Toronto is going to send some people down to represent Toronto at Halifax next summer. We are going to send down two or three "eights" from the Argonaut Rowing Club, and if my hon. friend is in the city of Halifax at that time these visitors from Toronto may be able to tell him what kind of a harbour we have. Our harbour is fifty per cent beautification and fifty per cent industrial development. My hon. friend has been more or less of a free trader. Does he want this bridge built to Sable island for one hundred fishermen according to the laws of supply and demand? The Liberal party in the maritime provinces has opposed subventions and bonuses and subsidies for coal, and very little coal was moved under their administration, but under the policy of the Conservative government 2,800,000 tons of coal has been moved to the head of the lakes. There are nearly 400,000 tons of coal to-day on boats in this ship channel shown in this book, as compared with 10,000 tons not so many years ago.

Here is shown Hanlan's Point where the old baseball park was, and as many as 150,000 people would go over there to watch the ball games, and to the three islands on a holiday, going across the bay on the old ferries.

So far as this tunnel project is concerned, let me say that the city of Toronto has done nothing but pay, pay, pay all the time. We have a life-saving station which has cost the city taxpayers nearly $80,000 a year with equipment, and we provide a life-saving service for the whole of lake Ontario, for the Georgian bay district, and the Muskoka district. Whenever an accident happens on the water they phone for Toronto's life-saving equipment, and it is sent all over the province at no cost to this government at all.

The hon. member for St. James (Mr. Rinfret) says that Toronto harbour cannot be compared with Montreal habour. Of course

Toronto is not an ocean port, but let me remind the hon. member that Montreal harbour got a splendid fifteen million dollar purely municipal bridge. I am not objecting to the vote for that bridge at all because I am glad to see Montreal, Quebec, Halifax and any other port develop and secure as much expenditure as possible on the principle of each for all and all for each.

Toronto is the only city I know on the North American continent that has such a land-locked harbour that is without a proper airport or landing. Look at the lake Erie ports, Buffalo, Cleveland, Toledo, and as far down as Detroit. See what magnificent airports they have. In Toronto we have only old airports. The hon. member for Shelburne-Yarmouth mentioned Leaside. I pass it two or three times a week, and there used to be a branch of the Royal Air Force there, but now there is little activity there. During the war the city of Toronto was selected by the government of Canada as the headquarters for the Royal Air Force in this country, and Toronto gave its property freely for that purpose. Nearly twenty thousand people were recruited at Toronto in connection with the Royal Air Force. Toronto gave the Jesse Ketchum school and many other grounds and public buildings, and supplied a great deal of equipment and spent very large sums of money on the development of aircraft and on training in aircraft for both war and peace times, and if there is any city that should get an airport I do not know of one that deserves it more than the city of Toronto.

Let me say in reply to some other observations that have been made that the city council of Toronto is meeting this week to deal with the tunnel. All along it has been pretty nearly unanimous for the bridges. The hon. Minister of National Revenue (Mr. Matthews), speaking in this house on April 17, reviewed the situation. The approaches for the tunnel will no doubt have to be provided by the municipality just as it had to provide the approaches for the Toronto viaduct, Ashbridge's Bay and Sunnyside. The use of the tunnel, maintenance charges, and so forth, will be a matter for negotiation between the government and the harbour board and the city. If this vote passes the house, an order in council will have to be passed but previous to that order in council being passed agreements will have to be prepared between the harbour board and the government, between the government and the city, and between the harbour board and the city. They will have to cover the question of the maintenance of the tunnel, the use of street cars, roads and approaches and public services such as sewers, sidewalks, water supply. Probably some of the municipal services that are now right in the bed of the western entrance will have to be removed, such public services as the gas company which supplies from eight to ten thousand residents on Toronto island; the hydro-electric service which lights the island. It was not allowed to cross the western entrance but was required by the railway commission to go along the waterfront to Ashbridge's bay and across the eastern entrance to Toronto harbour, and right there you can see the two parallel towers where the Niagara boats pass out through the eastern gap. The Bell Telephone Company has a conduit right in the bed of the western entrance to maintain their service. Last year these companies got together and went to the Minister of Public Works with a view to getting a union conduit to carry the different services to which I have referred. That conduit was built and is now in active operation.

I do not see what the object is, Mr. Chairman, in holding this vote up. I agree with hon. gentlemen opposite who say that we should take people off the dole and get them back to work. I believe and have spoken for a large reconstruction policy adapted to our financial circumstances and to our needs. I believe that active steps should be taken to get our people off the dole. I would not go to the lengths they have in the United States where last year they voted for relief purposes the sum of $3,300,000,000, under the Public Works Act, and this year $400,000,000 under the new act, the Roosevelt bill. They had a second public works bill of $4,000,000,000, but these have not worked out. We should follow the course adopted by Italy where they are building civic services for to-morrow in an effort to get the people off the dole. They are constructing municipal services such as trunk sewers, hospitals, schools, court houses, gaols, libraries, and so on. Last night the hon. member for St. Boniface (Mr. Howden) referred to the need of a trunk sewer in Winnipeg to take the sewage out of the Red river. Toronto proposes to spend $25,000,000 on the construction of a trunk sewer and this will create considerable work. I have no doubt that in almost every city and town in Canada there is need of some form of these and other public service and if these were carried out many people would be taken off the dole. A large housing scheme could be launched. In the city from which I come a new court house is needed while our gaol is a relic of the days before confederation. Throughout the country many post offices, schools, hospitals and other

institutional buildings are needed. Much of this work could be done on the basis of equal contributions by the dominion, the province and the municipality. The idea followed out in the United States was to make a loan direct to the municipality by the federal government on a standard plan, but this scheme has not been a success because the municipalities could not meet the terms.

One of the reasons why these bridges have not been built is the fact that the commissioners have allowed themselves to be drawn away from harbour business to amusement branches—they have gone into the amusement business. I might mention that there are two Liberals on the present board. Mr. O. J. Mulqueen was appointed by a Liberal administration, and this gentleman is a good commissioner. The present excellent chairman was appointed by a Liberal government, although I don't know his politics. In the case of other harbour commissions in Canada, after an election, a change was made but in this particular case they apparently forgot all about it. I am not urging that one be made now. Here it is a matter for the government.

When I was a member of the board of control the city was spending over $100,000 per year on the island and the revenue was only about $60,000. This island has untold possibilities as a year round resort. Bridges could be used only a few months in the year but the tunnel will not be affected by ice conditions. The climate of the island is more salubrious than that of the mainland and I have no doubt that with the sunshine and special advantages which prevail there it could be considered as a health resort during the winter months. Just south of this area in the western channel is an admirable site for a vast housing scheme. A development is taking place at Gravesend Beach, Brooklyn, New York, and the New York Life Insurance Company has loaned $25,000,000 for the construction of workmen's homes and flats. This project is being carried out without any assistance from the federal or state municipal authorities. An effort is being made to provide work and get the people off the dole and at the same time solve the housing problem which exists in that part of the country. The insurance companies of this country could do something along this line instead of investing in common stocks with trust funds, premiums and South Sea bubbles all over the world. They would be much better off if they did this.

We have a good city council in Toronto and one of which we are proud. There has been no corruption in the council in the administration of a tremendous public property. The city of Toronto owns all its public utilities and they are about all paying interest on the investments made while provision is being made for sinking funds. The taxpayers of Toronto have spent $20,000,000 on the exhibition in the purchase of grounds, lands and the construction of permanent buildings and exhibits. I was surprised to hear the hon. member for Toronto West Centre (Mr. Factor) oppose this tunnel. I heard the hon. member speak during the elections and he was always urging the cause of the workingman. He did not always do this in the English language as he had to use Yiddish at times. At one time the hon. member was a member of the city council, representing ward four, in which is situated the island. He was in favour of improving the facilities on the island and in taking that stand I believe he was representing the people who had elected him to council. The ferry fleet is now being operated at a loss and some other means of transportation will have to be provided. There is some objection to this tunnel by the people on the island but when Sunnyside Beach was opened up there was the same objection to extending the street car lines. A few people are opposing the use of this island by all the people.

Mr. FACTOR: I should like to ask the minister one or two questions. How long will it take to complete the proposed tunnel? How much work will be done in 1935 and will the work be carried out under the supervision of the Department of Public Works?

Mr. STEWART (Leeds): I will answer the questions in the reverse order to which they have been put. Upon a review of the history of this proposition it will be found that the matter was presented to council through the Department of Public Works. Any work which has been done in Toronto harbour by the dominion government has been done through that department. This bill contains a provision, to which I referred last night, that any work to be done under it will be assigned by the governor in council to such department as is thought best under the circumstances. In view of the history of this project, one would expect that the Department of Public Works will be in charge. I hope so as that department is familiar with everything which has been done. As to when the work will be completed, that will depend upon the terms of the contract. The preparation of plans and specifications will not be difficult and I would think that a very substantial part of the work could be done

during 1935. This work is not seasonal and could be carried on through the winter. I cannot speak definitely as to how much work will be completed during 1935, but it should be a substantial part.

There were one or two other matters which were mentioned. The former Minister of Public Works (Mr. Elliott) gave an estimate of the cost of these two bridges. The amount he stated is the amount in the order in council but he should remember that that was passed back in 1912 or 1913. As he knows, the cost of construction has almost doubled since that time, so that while the estimates were probably correct at that time they are not applicable to the present day. My hon. friend is correct in saying that there was no formal agreement but the effect of the provisions of the order in council is to make it an agreement. The order in council provides what each is to do and gives further details. There is no time specified during which the work shall be done. My hon. friend referred to certain work which had been done since but the terms of the agreement are not specific and the fact that an agreement was made with regard to certain developments does not prevent a contribution being made by the dominion government toward the construction of other works.

Mr. RALSTON: The hon. member for East Toronto (Mr. Church) made a remark with regard to what I had an opportunity of saying last night respecting assistance in providing facilities for connecting the mainland of Nova Scotia with Cape Sable island. I want to correct the hon. gentleman's geography. I was not talking about Sable island but about Cape Sable island, which is a very different place. I was speaking about the possibility of helping to provide communication across the sheet of water known as Barrington passage to Cape Sable island, where there are, not one hundred fishermen as my hon. friend suggests but between three and four hundred, and where the dealers live who serve that whole area in the collection of fish and the sale of it in foreign and Canadian markets. Apparently my hon. friend did not get the gist of what I was trying to propose, but I suggested that work under this particular act should be work which, if possible, should make people self-dependent, and provide needed facilities for better transportation between the mainland and Cape Sable island, on which there is the thriving town of Clark's Harbour, with a population of a thousand or twelve hundred citizens; and a surrounding community of probably eight hundred more. I suggested that if we are providing relief works we could well help to provide communication between the mainland and that island so as to enable these people to get their product off to market under proper conditions and at cheaper cost than are possible under the present system. In doing that, it seemed to me, we should be helping people to help themselves; we should be providing employment in connection with the work to be done. It seems to me that such a facility would assist these people in earning a living. Now I am not in the slightest measure setting up Nova Scotia as against Toronto; I am simply comparing the benefits of the work I suggest in connection with Cape Sable island with what my hon. friend has said regarding the benefits which would result from the Toronto project. The hon. gentleman said quite plainly that this tunnel is for the purpose of providing communication between the city of Toronto and this holiday place, this picnic place, this summer place, whatever it may be—and I do not use these terms in any offensive or facetious sense—where people may enjoy themselves. He said that the purpose was to provide such communication so that people might get to the island cheaply and easily. Now that is not helping people to make a living; it is merely helping them to enjoy themselves. It is providing cheaper transportation, I grant. But if we attempt out of the dominion treasury to provide for cheaper transportation to the people in the different cities on their tramways or in connection with their ferries or their bus services, then it strikes me that whatever funds we may have at our disposal will soon be exhausted. I am trying to impress on the committee and on my hon. friend from Toronto the fact that such is not the object of the sort of expenditures which are being made under this bill. We could find many places where we could contribute towards the people's comfort and happiness and at the same time fail to carry out the principle of this special public works legislation. These public works are being built as relief works, to provide employment, and in the second place they are being built for useful purposes to produce revenue and to assist people in making a living. But this tunnel does not fulfil that second requisite. My hon. friend is quite frank when he says that we do not realize the possibilities to all the people of Toronto which this tunnel will afford. Let me tell him that we do realize them; but we submit with deference that there are many other projects which will better carry out the objects of legislation of this kind.

My hon. friend has based his contention on the ground that a promise was made. I submit to this committee that if for twenty-two years our friends on the other side have permitted their consciences to be so elastic that they did not feel called upon to fulfil this promise, then they might at least leave the matter another year or more and feel that they are not wounding their moral sensibilities very much. No one I have heard has answered the strong point that has been made, that this matter has been allowed to stand for twenty-two years. If it could stand for that length of time why can we not wait another year until financial conditions are better? But apart from that the former Minister of Public Works has pointed out that, if we are talking about promises, the promise or understanding or undertaking set out in that order in council was that the dominion government should spend $6,400,000. That undertaking, according to the figures given by my hon. friend, has been more than carried out.

Mr. STEWART (Leeds): They were to spend that amount on certain specific projects.

Mr. RALSTON: My hon. friend points out that it was for certain specific projects; but whether it was for certain specific projects or not, the government has spent, as a matter of fact, not $6,400,000 but over $9,000,000 in connection with works relating to the harbour of Toronto. So that I do not think it behooves anyone to throw it in our faces that we are repudiating our obligations to the city of Toronto or the Toronto harbour commission when we have spent nearly fifty per cent more than the amount involved in the original order in council. I really feel that that is the weakest ground on which the Minister of Public Works could possibly base his case, because no one can justify rushing in in 1935 to implement a promise that has been allowed to lie dormant for twenty-two years. As I have pointed out there are promises made by my hon. friends opposite which need to be implemented much more urgently than this old promise. There was the promise of old age pensions to Nova Scotia—one hundred per cent was to be paid. For the last five years Nova Scotia has been paying twenty-five per cent which the Prime Minister promised in 1930 would be paid by the dominion. Why not fulfil that promise, if the treasury is full enough to be able to provide for these other things. Then there is the Halifax-Dartmouth bridge, which was promised in the 1925 election. I remember that celebrated circular, "Vote for Black and Quinn and get the Dartmouth bridge," or something to that effect. Why not fulfil that promise? And without extending the record, there are a good many promises made by my hon. friends which are more urgent than this twenty-two year old one, and I repeat that the obligations of the dominion under that order in council were fairly well carried out by the expenditure of over $9,000,000 instead of the $6,400,000 mentioned in the order in council. I remind you also, Mr. Chairman, that the hon. member for Toronto gave us the real reason why the bridge was not built. He said it was because the harbour commission would rather have the money spent in extending the breakwater. But now the Minister of Public Works proposes that although as desired by the commission we spent the money in connection with the breakwater instead of the bridge we should now provide twice the cost of the bridge by building a tunnel. As the former Minister of Public Works points out, the bridge would have cost $400,000. The present Minister of Public Works thinks that is below the amount it would cost to-day in view of the difference in the value of money. Well, let us say $600,000, and even then it does not come up to the $1,000,000 proposed for this tunnel.

Mr. Chairman, the last reason is one in which I am myself most interested, and that is that this tunnel should be built to assist in the establishment of an airport for Toronto. That involves a larger question than this committee is called upon to deal with under the terms of this vote. That involves the question whether the federal government shall change the policy which it has followed ever since airports have been established, which is, that municipalities shall pay for the airport and what the federal government shall do, is, as I said last night, to provide the lighting—and I find that the federal government provide only about one-half the cost of lighting—and some of the accessories. If it is felt that the dominion government ought to change that policy and that for some reason or another the city of Toronto, on account of its national importance—it is frequently called the queen city of Canada—and on account of its situation and the potential traffic is entitled to special consideration, then everyone in this committee is prepared to consider representations along that line. But until those representations are made and that matter of policy is before the committee with the reasons given for it and properly discussed, I submit that the rule followed in connection with Vancouver

which owns its airport, and with Calgary, Edmonton, Moose Jaw, Halifax and Saint John, should be followed in connection with Toronto. In Winnipeg while the airport is not owned by the city it is owned privately. The only exception is Montreal which was mentioned last night. Nearly twenty miles from Montreal is our national airport at St. Hubert for the Atlantic seaboard. This was built under special conditions and under the report of a special commission which had not the local interests of Montreal in mind at all, because if it had it would have selected a site on the island of Montreal as there are several suitable sites there. Instead of that the commission selected St. Hubert for the purposes of trans-Atlantic international business. If we are going to change the policy, let us discuss it fairly and fully and let hon. members from Toronto lay their case before the house.

What has been done is that this airport idea has been dragged in at the last moment. As the hon. member for West Middlesex pointed out, several plans have been made, dated when? One portion is dated April 25, or eight days after this bill was brought down in the house and eight days after the house adjourned for the Easter recess. Another plan is dated even later, May 2 or May 6. All that these plans show is a prospective development on the island in question with the possibility of an airport some time in the future. What is shown in that report? It is provided that the city may spend $40,000 in 1935 in connection with the development. It indicates that it will take at least three years and possibly more for the building of the airport. In the same report, notwithstanding what the Minister of Public Works says, it is indicated that the tunnel itself will not be completed until 1937, so that I think the minister is wrong when he suggests that most of the work will be done this year. There will not be much immediate employment if it is going to take three years to build the tunnel. Now, what do the plans show? I find from these plans that the runways provided for aircraft are, I think, in one case 1,800 feet long and in another case 2,000 feet long. The present Minister of National Defence is not in his seat, so I call the former Minister of National Defence to witness whether it is not a fact that the department have always regarded and believed that a safe length for a runway was at least 3,000 feet. What will be necessary in order to provide a runway 3,000 feet long to conform with the standard practice? It will be necessary to build an addition to the island; that is all. You will have to extend the retaining wall and provide no less than 1,200 feet of made land in order to have an airport that will conform with the requirements regarding the length of runways. It is possible to do that of course; it is not an absurd idea; this can be done if Toronto thinks it desirable to do it and is willing to spend money enough. But what I ask is that the Toronto authorities come first with this proposition: number one, the city of Toronto is willing to build or to undertake the obligation of building an airport; number two, they ask the Department of National Defence to pass on the plans and decide whether they are suitable for the purpose and conform with the regulations and standards as laid down; number three, the city of Toronto will say what it will contribute towards that project; number four, when the city or the harbour commissioners have done that, then let them say to the dominion government what they want it to do in the way of contributing to the project. That is the only sensible thing to do. It is hardly good business to ask the dominion to build a tunnel as an approach to an airport when there is no assurance that there ever will be an airport.

This is not really an employment project. There is merely the sum of $40,000 to be spent this year by Toronto and it will take three years to build a tunnel, so that very little employment will be provided at once. If we vote this money, it sets a precedent whereby the dominion government will be committing itself to vote money for what are really municipal projects of the nature of roadways, streets, means of communication, and there will be no end to the applications which will be made if that precedent is once established.

I repeat: our objection is not because of any opposition to the improvement or development of the city of Toronto which we all admire; but I say that this matter should be brought before us in a straightforward way as an airport proposition if it is one and someone should be willing to go on record that Toronto is prepared to undertake definite obligations in connection with the matter and show that the project which is proposed is a feasible one having regard to the facilities it is prepared to provide. If that is done, then the committee will be in a position to consider the matter. To talk about voting $1,000,000 simply because a promise was made twenty-two years ago, or to talk about voting $1,000,000 simply because it will provide facilities for the people of Toronto to visit this pleasure ground is not good enough;

such an idea is entirely outside of that on which these projects have always been supported in the past.

Mr. GOTT: The hon. member will use that much in hot air if he keeps on.

Mr. RALSTON: My hon. friend certainly knows as much about hot air as anybody.

Item 7 of schedule agreed to.

On item 8—Buildings and improvements, Department of Agriculture, $500,000.

Mr. CASGRAIN: Might we ask the Minister of Agriculture to give us some details regarding this item of $500,000 which is described as buildings and improvements to be carried on under the direction of the Department of Agriculture?

Hon. ROBERT WEIR (Minister of Agriculture): The main item is a building to be erected on the experimental farm at Ottawa combining not only a number of different divisions of the experimental farm system but also a number of other branches in the Department of Agriculture. It will be a combined building dealing chiefly with the different divisions in biology. That will release some other space that is badly needed, for instance, in connection with work undertaken in regard to poultry, and it will also leave free some very old buildings that we feel are no longer suitable for the work done in them. In addition to this there will be smaller buildings built on practically all the experimental farms throughout the dominion. A very extensive building is contemplated in Fredericton in connection with the experimental farm there to provide more adequate facilities for the research work that has been carried on there and that it is hoped to extend in connection with potato diseases and so forth. As regards the experimental farm at Ste. Anne de la Pocatière, there are to be buildings erected for the housing of live stock and a new residence will have to be built to replace the one that was destroyed very recently by fire. The other buildings are all of a smaller nature than the ones I have outlined and will be distributed throughout practically every experimental farm in the system with the exception of one or two which under this vote have no provision for any buildings on them.

Mr. HOWARD: Mr. Chairman, this is the eighth item on this list, and I should like to ask the minister if anything is included in the item for the experimental farm at Sherbrooke.

Mr. WEIR (Melfort): Which experimental farm does the hon. member mean?

Mr. HOWARD: The Lennoxville farm.

Mr. WEIR (Melfort): Yes, there is a horse barn at an estimated cost of $5,000, and some smaller buildings.

Mr. CASGRAIN: I should like to ask the minister if any amount of money has been appropriated for the construction of buildings at St-Joachim, in the county of Montmorency, where part of the farm is under the control of the federal government.

Mr. WEIR (Melfort): That is the horse farm?

Mr. CASGRAIN: Yes.

Mr. WEIR (Melfort): So far as I know there are no buildings to be constructed there this year. My understanding is that no further buildings are required to carry on the work.

Mr. DONNELLY: Is any of this money to be used for the construction of buildings on any of the experimental farms in the province of Saskatchewan?

Mr. WEIR (Melfort): Yes, on practically all those farms.

Mr. DONNELLY: Could the minister let us know what they are?

Mr. WEIR (Melfort): At Swift Current there will be an extension to the office and laboratory for the study, particularly, of soil drifting and for drought investigations on a larger scale, and an entomological laboratory is also included at an estimated cost of $25,000. At Scott there will be a new poultry building, which will cost approximately $600. At Indian Head some smaller buildings will be erected. At Melfort a granary and a seed cleaning plant will be erected, as well as a herdman's house and an implement shed.

Mr. ELLIOTT: What are the respective costs?

Mr. WEIR (Melfort): The estimated cost is $3,000 for the first, $2,000 for the second and $2,000 for the third.

Mr. MOTHERWELL: On former occasions I felt it my duty to criticise my hon. friend for cutting and chiselling into his own estimates. From what I can gather at this distance I would conclude that most of this $500,000 is to be spent on the various experimental farms throughout Canada. I wonder if I am correct in my understanding that a portion of this money is to be spent for an administration building at the central experimental farm here at Ottawa. I think an appropriation was made last year for that work. If it is a fact that part of this money

will be used to start and possibly finish that new administration building, I have nothing but commendation for the minister. There is, however, a significance about the spending of all this money at this time. Apparently my good friend has been saving up his money for the last four years in order to make a final splurge this year. I hope I am not doing him any injustice when I make that statement; it may be only a coincidence. I hope he will not suffer any great disappointment if the anticipated political advantages do not materialize. I think the people affected will appreciate the proper expenditure of the money, but whether it will have any particular effect on the major coming event that is in our minds just now is another question. The experience of past years, especially of the provincial elections of last year, would seem to show that large expenditures made for no particular purpose except to throw money around have not had a very desirable result so far as the government has been concerned, so I am warning my hon. friend not to expect too much in a political way from these expenditures. However, I commend him for doing this on behalf of agriculture, so long as it is for a practical purpose that will produce revenue or perform some useful service. I am bound to commend the expenditure from that angle, if not from the other standpoint already alluded to.

I do not like the thought of squandering the people's money, especially when it is for no good purpose. Look at what we have been discussing for the past two days, a tunnel to connect Toronto with Hanlan's Point. Does anyone think that is going to bring in any revenue to the state or help agriculture or industry or business in Canada? Not at all; no revenue can come from any such expenditure, nor does it perform any particular necessary service. To the extent that this item differs from the preceding item I feel like commending it, supplementing my words with a further warning to the minister not to expect too much politically from such last hour expenditures as these.

Mr. ELLIOTT: Might I ask the minister as to the distribution of this money in Ontario, other than at Ottawa?

Mr. WEIR (Melfort): Before answering that question I should like to refer to the point raised by the hon. member for Melville. The larger biological building, which I mentioned before, is a new building; that has nothing to do with the administration building, for which an appropriation was made last year. This is in addition to that building.

[Mr. MacLaren.]

With reference to Ontario, at St. Catharines a new laboratory is to be constructed, at an estimated cost of $5,000, and some smaller buildings. At Harrow, Ontario, a new tobacco barn is needed, due to the extension of the work, which is estimated to cost $3,000, together with some smaller buildings. At Delhi a new building is to be constructed, a flue cured kiln, estimated to cost $500.

Mr. CASGRAIN: I should like to ask the minister whether he is going to have the direction and supervision of the letting of the contracts for these works.

Mr. WEIR (Melfort): Yes.

Mr. CASGRAIN: Are the plans being prepared by officials of his own department or by officials of the Department of Public Works?

Mr. WEIR (Melfort): By officials of the Department of Agriculture.

Mr. CASGRAIN: So the minister is going to become a contractor?

Mr. WEIR (Melfort): No, there will be no difference in that respect.

Mr. RALSTON: Is that so? The minister says there will be no difference in that respect. Generally speaking, as I understand it, the Department of Public Works has acted as the contractor or builder, or if the minister will permit me to use the expression, the mechanic, for the other departments. Is it the practice now for each department to have its own architectural staff, its own engineering staff and its own staff for the purpose of considering tenders and inspecting work?

Mr. WEIR (Melfort): I believe the custom, in the past, and the present custom, has been that with reference to the central experimental farm at Ottawa the architectural work and supervision is looked after by the Department of Public Works, but that on the farms outside of Ottawa it is done by the experimental farms branch.

Mr. RALSTON: Has the minister a staff of architects or engineers?

Mr. WEIR (Melfort): There is one architect, and I think he has an assistant. That has been the practice in the past.

Mr. RALSTON: Is the inspection carried on by local engineers or architects?

Mr. WEIR (Melfort): I do not know if I am in a position to answer that. The buildings are on the experimental farm plan, and consist chiefly of standard buildings, and they are supervised by the department.

Mr. RALSTON: Perhaps the minister does not understand my question. I assume that some day we will see an advertisement in the paper signed by the minister or his deputy calling for tenders to do certain work. Tenders will be received and will be inspected by his deputy minister, and an award will be made. Then some person will have to see that the contractor carries out the work. Someone will have to be the engineer under the contract to inspect the work. Will that be a permanent official of the Department of Agriculture, or will it be a local engineer employed for that special purpose?

Mr. WEIR (Melfort): An official of the department in some instances.

Mr. RALSTON: Will that official be an architect? Will he be called upon to go around to those different places and inspect?

Mr. WEIR (Melfort): It is exactly the same system as has been followed in the past. It would not be necessary to have an architect go from the city of Ottawa to inspect the building of a residence or the building of these granaries and plants I have mentioned. Of course a good deal of the work will be done by day labour but it will be supervised as it has been in the past.

Mr. RALSTON: The minister uses the expression "as it has been in the past"; what does he mean?

Mr. WEIR (Melfort): By officials of the department.

Mr. RALSTON: I am trying to find out what officials the department have who could check up and ascertain whether or not a contractor has complied with the plans and specifications with regard to material, mixtures, design and a hundred and one other things mentioned in the specifications for a building.

Mr. WEIR (Melfort): For instance, in connection with the building at St. Catharines specifications are drawn up for the building which it is contemplated to erect there.

Mr. RALSTON: Drawn up by whom?

Mr. WEIR (Melfort): By our architects. The plans are all prepared by the architect in Ottawa. A building such as that, unless there is need for special supervision, will be supervised by the man in charge of the station. In that connection I would say he would be quite capable of doing it.

Mr. RALSTON: That is, the superintendent of the farm?

Mr. WEIR (Melfort): Yes, or perhaps some one under him specially interested in the work.

Mr. RALSTON: The minister is satisfied that that is sufficient?

Mr. WEIR (Melfort): Quite, in connection with buildings like that.

Mr. RALSTON: I do not think any private concern would be satisfied, if it were done that way.

Mr. HOWARD: Will public tenders be called in connection with the erection of the proposed building at Sherbrooke?

Mr. WEIR (Melfort): I would say it would be done by day labour under the supervision of the farm officials.

Mr. HOWARD: Has the minister any further information in connection with a question I asked earlier in the session? Has he any further report regarding twenty-five farms which were practically destroyed?

Mr. WEIR (Melfort): I cannot recall having been asked that question.

Mr. HOWARD: I asked the question under a vote in the estimates. These farms were destroyed by acid from the copper mines. They lie along the Massaurippi river, and are almost adjoining the Lennoxville experimental farm.

Mr. WEIR (Melfort): I have not that information.

Mr. DONNELLY: In the western press of a few days ago I noticed that the federal government was supposed to have purchased an experimental farm seven miles west of Gravelbourg. I assume that is a misstatement. Possibly the government has taken over an administration station or an experimental station, or something of that kind. Could the minister tell us about that?

Mr. WEIR (Melfort): Not having seen the article to which the hon. member has referred I cannot make a definite answer. Illustration stations have been selected in that vicinity, and contracts have been entered into with the owners of farms. There has also been an investigation, which is not yet completed, to decide as to whether or not that area would provide a suitable township in connection with the drought scheme. If the hon. member would permit me to see the news item I should be glad to give him the information.

Mr. DONNELLY: I thought the article was wrong, when I read it.

Mr. WEIR (Melfort): There is no experimental farm at that point.

Mr. DONNELLY: It was just an experimental station. I understand the minister has taken a trip through the dried out area,

and is considering the erection of certain dams. Could he tell us about these dams, or where he expects to build them?

Mr. WEIR (Melfort): The committee to deal with that matter, known as the water committee, has been appointed. They met and sat in conference in the city of Regina for two days. All applications we have received in the department have been placed before them. They are investigating applications, and we purpose calling another meeting of the committee to obtain a report of their findings. The decisions will not rest entirely in the hands of the water committee. Experts who will be in a position to give expert advice on the cost and the extent of benefits which might be derived will sit on the committee. The chairman of the committee, being an agriculturist, will indicate whether or not he feels certain work should be done, from an agricultural standpoint. As soon as the committee meets and reports a decision will be made and an announcement given. I believe it is safe to say that we have had applications from all sections of the drought area, and that each application is being examined on its merits.

Mr. DONNELLY: Who are the members of the committee?

Mr. WEIR (Melfort): The members of the water committee are:

L. B. Thomson, Chairman, Dominion Range Experimental Station, Lethbridge.
W. H. Fairfield, Superintendent, Dominion Experimental Station, Lethbridge.
L. C. Charlesworth, Chairman of the Irrigation Council, Alberta.
C. J. McGavin, Chief Water Engineer, Department of Natural Resources, Regina.
C. H. Atwood, Chief Engineer, Department of Natural Resources, Winnipeg.
V. Meek, Hydrometric and Water Power Branch, Ottawa.
Dr. R. T. D. Wickenden, Geological Survey, Ottawa.
A. Griffin, Department of Natural Resources, Canadian Pacific Railway Company, Calgary.
T. C. Main, Assistant Engineer of Water Supply, Canadian National Railways, Winnipeg.
W. L. Jacobson, Irrigation Specialist, Experimental Station, Lethbridge.

Mr. GARDINER: What effort has been made to let people in the drought area know to where applications should be sent with regard to these proposed dams? So far as I am concerned I must confess I have seen no statement in the press, nor have I received any information indicating where applications should be sent. I believe it would be only fair to the drought area to have that information given out before an official decision as to the location of the dams is made by the committee.

[Mr. Donnelly.]

Mr. WEIR (Melfort): The first announcement was made in the house, and afterwards when discussions took place a good deal of publicity was given to the matter, particularly in western Canada. This was evidenced by the number of applications received from the drought area. I believe thousands of applications have been received, tabulated and carefully investigated. However the suggestion of the hon. member for Acadia is one to which we will give immediate attention, and we will make an announcement in that connection. In view of the applications however it was not felt necessary to give any publicity further than that which had been given in the press.

Mr. GARDINER: Does it make any difference whether the applications come from private individuals, municipal councils or other bodies of that description?

Mr. WEIR (Melfort): It does not make any difference. Applications may come directly to the department or to myself, and from individuals or groups of individuals. In each case I have passed them on to the director of experimental farms. After that they are tabulated and all information is set out in the shortest possible form. Every application which has been received and considered worthy of consideration—and I know of none which has been cancelled—will come before the water committee for investigation.

Mr. GARDINER: Will the committee which has charge of the applications investigate the sites of the proposed dams?

Mr. WEIR (Melfort): Either the committee itself or some person appointed by the committee. It might be that the officials of the experimental farm system might be able to give whatever information was required and recommend as to the advisability or otherwise of further investigation.

Mr. GARDINER: I happen to know that last fall the engineers of the provincial government looked into the possibilities of these dams so far as my own territory is concerned. They were expert men who knew their business. Is it proposed that this committee shall engage the services of engineers to go thoroughly into the possibilities of these dams? It is quite possible that the dams will not serve the useful purpose they might serve unless proper engineering skill is employed in laying them out.

Mr. WEIR (Melfort): I am glad the hon. member has mentioned that but there is a representative on the committee from each of the provincial governments. The repre-

sentative from Alberta is Mr. Charlesworth. All the information that has been gathered by the engineers and all the information in the department in Alberta will be made available through Mr. Charlesworth to the water committee, and similarly with the other provinces. Even in connection with the small dams on individual farms or groups of farms, dams that may not cost over $100, engineering advice will be given where to locate the dam and how best to construct it so that it will be of the maximum benefit.

Mr. DONNELLY: Is there a limit to the size of these dams which decides whether it is a local, provincial or dominion matter? The minister no doubt knows that for the last year or two a great number of these dams have been built in the dried out areas, where several farmers would get together, secure advice from the provincial government, and with the aid of engineers lay out a community dam, which to my way of thinking is far more useful than these larger dams. It is of great benefit in providing communities with water where it has been possible for the inhabitants for some time past to get water. What I want to know is whether the federal government is looking after only the larger dams or the larger and the smaller dams as well, and is there any dividing line drawn between the two?

Mr. WEIR (Melfort): No, we are looking after all the dams, and preference is given, and a very decided preference, as the hon. member has himself suggested, to the smaller dams. There is no division as to local, provincial or federal concern. The machinery is representative of all, but the chief consideration, if I might use that term, is given to the smaller dams rather than to the larger ones. The province has its provincial representative who is thoroughly versed in all the proceedings that are necessary from the provincial standpoint to expedite the building of these dams. In the past, I do not know about all the provinces, but in some of the provinces there has been a good deal of delay in the average farmer, or in a small community, getting water rights and having the inspection made according to the regulations of the province. We hope to overcome that delay by having a joint committee such as we have at the present time.

Mr. DONNELLY: Is it the intention to buy the land for the site of the dam, or how are you going to acquire the property?

Mr. WEIR (Melfort): The property will not be bought. So far as the individual dam is concerned it will be on the farmer's own property, but he would have to get permission from the province to do certain things. If it were a community effort there would have to be investigations made, but much of the information is already available as to what damage might be done if the water were dammed back. All that has to be reported on before the dam can be built. The material will be supplied from the vote of $750,000 that was passed in connection with the prairie rehabilitation scheme, and for the larger dams the money will come from the $500,000 vote that has already been passed under this bill.

Mr. DONNELLY: But in many cases it will be necessary to acquire property. I have in mind a case where the dam itself would cost only $1,500 or $2,000 but where the water that was dammed would spread back twelve or fifteen square miles of land, covering a large area. This land would have to be acquired in some way or the dam could not be built.

Mr. WEIR (Melfort): Before a dam is built, a thorough inspection will have to be made as to the damages that would result from the building of the dam. That is one of the factors in connection with the Estevan dam. There has been an estimate made as to what the damage will amount to, but whether the land itself will be acquired or damages paid on a basis to be agreed upon is a matter for consideration.

Mr. GARDINER: The question that has been raised by the hon. member for Willow Bunch (Mr. Donnelly), namely, the title to the land on which these dams are built, is a very important one. One question that arises in my mind is just what percentage of these dams will be public property to which the people of the district will have access to water their stock, and what percentage will be privately owned and therefore useful only to the farmer upon whose land the dam is built.

May I make this recommendation to the minister? In my judgment more money should be spent on public dams so as to give the public access to the water to take care of their stock, because on many farms the wells are going dry and if there was a public dam in the district with the title vested in the federal or provincial government—that is a matter to be decided between the two authorities—the people in the district would have access to the water to water their stock as often as they wished so long as the water was available. In my judgment these public

dams will be more beneficial to the people in the dried out areas than dams privately owned and situated on private property.

Mr. ELLIOTT: With regard to the buildings that are proposed, what proportion of the contracts will be let by public tender, what by invited tender, if any, are to be let in that way, and what will be done by day labour?

Mr. WEIR (Melfort): I am sorry I cannot give that information. The whole work will be in the hands of the officials of the department, and if they feel that it might be better in a certain situation to let contracts—although with one or two exceptions none of the buildings are expensive—tenders wil be called for. On the other hand, if it is felt that it would be cheaper to do the work by day labour, it will be done that way. I am not in a position to state the percentage, but the usual practice will be followed.

Mr. ELLIOTT: Which of the officials of the department will decide, for instance, whether a contract is to be let by tender after public advertisement, or by private tender, or the work done by day labour?

Mr. WEIR (Melfort): The director of the experimental farms with the advice of his staff.

Mr. ELLIOTT: Is there no consultation with the minister in regard to that?

Mr. WEIR (Melfort): There might be in some cases, but in the majority I would say that it would not be necessary, and I would be guided very much, if not entirely, by the advice they gave me.

Mr. ELLIOTT: As a general rule this official of the department, the director of experimental farms, will decide whether tenders will be asked for by public advertisement, whether invitations will be sent out to a certain number to tender, or whether the work will be done by day labour; is that correct?

Mr. WEIR (Melfort): I am not sure that I have the hon. member's question correctly. This has been a matter of routine. For example, assume they wish to build an implement shed on a certain experimental farm; if the director feels it to be of sufficient importance he may submit the matter to the deputy minister of agriculture, but in many instances they go ahead in the ordinary way with the building. They would be guided largely by past experience as to what would be the cheapest and most satisfactory manner of constructing the building.

[Mr. Gardiner.]

Mr. ELLIOTT: Could the minister tell me what was the practice in connection with the buildings constructed under the provisions of the act of last year? Could he give us a list of the contracts which were let by invitation, those let through public advertisement, and the works that were constructed by day labour?

Mr. WEIR (Melfort): I have not that information before me, but I shall be glad to get it.

Mr. ELLIOTT: I assume that this committee will be sitting long enough to enable the minister to let us have that information.

Mr. CASGRAIN: If the minister is to supervise the construction of the buildings necessary for the experimental farms, why should not the Postmaster General (Mr. Sauvé) be in charge of the construction of post offices? This is a reform bill; why should not the Postmaster General be entrusted with the supervision of the construction of post offices?

Mr. WEIR (Melfort): There has been no change in the procedure so far as the experimental farms are concerned.

Item agreed to.

Item 9.—Harbours and rivers generally, $2,500,000.

Mr. CAMPBELL: Could the minister give us particulars as to where this money is to be spent?

Mr. STEWART (Leeds): This item is similar to the one which appeared in the act of last year. As yet no list has been prepared as to where the expenditures will be made. The expenditures last year were made largely in repairs, extensions and improvements to wharves, breakwaters and harbours, and we are getting reports on what is needed this year in that connection. Last year considerable work was required in the harbours on the St. Lawrence river and the great lakes due to the low water. I cannot give my hon. friend detailed particulars of the expenditures last year but he will remember that the Minister of Agriculture (Mr. Weir) laid upon the table of the house a very bulky statement containing the expenditures made under the provisions of that act. There would be several thousand items ranging from $100 up to several thousands. The total expenditures by provinces were as follows:

Nova Scotia	$406,263 89
Prince Edward Island	99,733 31
New Brunswick	244,993 69
Quebec	664,067 19
Ontario	505,820 64
Manitoba	30,260 00
Saskatchewan	6,196 13
Alberta	6,900 00
Northwest and Yukon Territories	2,606 15
British Columbia	171,522 27
Generally	85,395 32
Total	$2,224,118 59

A program is being drafted by the engineers based upon the reports which have been made. I might mention that the suggestions and requests received up to date would require a much larger sum than that being asked for and it is our intention to take care of the most urgent works and what seem to be most justified in view of the smaller appropriation.

Mr. CAMPBELL: I have no doubt that the requests received would require the expenditure of a much larger amount, but I would ask the minister to note that under item 10 it is proposed to do a great deal of harbour work.

Mr. STEWART (Leeds): That item covers public buildings.

Mr. CAMPBELL: Yes, I know but there happen to be a number of commitments against item 10 in connection with harbour work. If the engineers have been able to supply details in connection with the $2,224,000 spent last year I think we are entitled to a similar statement in connection with the $2,500,000 asked for this year. We should not be asked to vote a blanket amount to be spent at the discretion of whatever minister may be appointed to spend it.

Mr. STEWART:(Leeds): I could give my hon. friend the list of requests.

Mr. CAMPBELL: It seems to me that we are entitled to know what decision has been made. The minister has had over a month since this bill was first brought forward.

Mr. STEWART (Leeds): We have not decided the places at which expenditures will be made or the amounts to be expended; we are going to meet the emergencies as they arise.

Mr. STEWART (Edmonton): Are these all emergencies?

Mr. STEWART (Leeds): This vote is for repairs and similar work and will be used in the same way as the vote last year was used.

Mr. STEWART (Edmonton): I hope the minister will not take offence when I tell him that this is just a huge joke. The same joke is perpetrated every year. Almost every item in this schedule could have been placed in the main estimates where we would have had a chance to discuss it. However, this seems to be the method this government adopts of doing business and I do not suppose there is much use worrying about it. The only saving element about the whole thing is the fact that the government does not spend all the money. Last year we voted $30,000,000 and the government spent only $9,000,000, for which perhaps it can be commended. When a minister stands up and states seriously that the government is going to find some place, somewhere, some time for the spending of this money, it looks to me just like a piece of camouflage. Why responsible ministers cannot estimate what they are going to have to spend and bring it down in the ordinary way is beyond me. When the minister was on this side he was not so easily satisfied, and it is really amusing to watch the assurance with which he stands up and tells us that it is impossible to find out until some time in the future where this expenditure will be made.

Mr. LAPOINTE: Will any dredging be done?

Mr. STEWART (Leeds): Yes; "harbours and rivers generally" involves dredging where required.

Mr. LAPOINTE: Will most of the work be dredging?

Mr. STEWART (Leeds): I would not say that; I would say, a considerable part of it, as shown by the statement which was placed on the table of the house.

Mr. CAMPBELL: I cannot see why the minister should make such a statement. He has an efficient staff of engineers and he must have recommendations from all the divisional engineers and probably from the engineers in the Marine department. I think we should hold the vote over until a statement can be furnished.

Mr. MOTHERWELL: I want to ask the minister a question but he need not answer it unless he likes. Would this expenditure of $2,500,000 be contemplated and provided if this were not an election year?

Mr. LAPOINTE: He doesn't like to answer that.

Mr. MOTHERWELL: He doesn't need to.

Mr. RALSTON: Are any new works to be done, to be provided out of this $2,500,000?

Mr. STEWART (Leeds): There will probably be some extensions to breakwaters and wharves which might be considered new works. I have some for my hon. friend which would come within that class.

Mr. RALSTON: That is music to my ears. I may say to my hon. friend, without putting it on the record again, that I will submit to him a list which I presented to the Prime Minister last year. If I remember correctly he was piloting this bill last year and we pointed out to him certain urgent works in the various constituencies. Perhaps I need only remind the minister of the list because I have endeavoured to bring these works to his attention before. I would ask him not merely to give them consideration but to provide the facilities which are absolutely required in order that the fishermen in the particular constituency I represent may be able to carry on their calling.

Mr. STEWART (Leeds): My hon. friend will agree that some works of that description were done last year.

Mr. RALSTON: Only a few.

Mr. LAPOINTE: Will these works be carried on under the supervision and control of the minister? My reason for asking this question is that under the act of last year some extensive public works in the harbour of Quebec were carried on under the Minister of Marine, and really I should have more confidence in the spirit of fairness and the impartiality of the Minister of Public Works if it comes to that. I should like to know. Will not my friend come and supervise his work there?

Mr. STEWART (Leeds): All I can say is that last year this vote was $2,500,000, and of that amount the sum allotted to the Department of Public Works was $2,465,000, so that practically all the work under that vote was done under the control of the Public Works department. My hon. friend has in mind certain other specific items which were set forth in the schedule to the bill of last year and which were assigned to the Minister of Marine for execution.

Mr. LAPOINTE: Why?

Mr. STEWART (Leeds): Under this vote it was practically all done under the Department of Public Works.

Mr. LAPOINTE: But why should not my hon. friend look after the works in Quebec? I would rather have him than the Minister of Marine, I admit freely.

[Mr. Ralston.]

Mr. STEWART (Leeds): My hon. friend is very kind, but it will be admitted that this was a fairly substantial program last year, and it was decided in the interests of efficiency that it should be divided without overtaxing the staffs of the different departments. All through the years there has been what may appear to be an inconsistency in the carrying on of public works. We have in the Public Works department engineers and a staff and we have some dredges. We do some dredging with the departmental plant and we let contracts for dredging. But notwithstanding that, the ship channel in the St. Lawrence has been for all these years under the Marine department and work of a similar sort has been carried on by the Public Works department.

Mr. LAPOINTE: Not wharves

Mr. STEWART (Leeds): They have wharves and harbour improvements, and I understand that this was set up years ago, apparently for very good reasons. It looks like a duplication but it was decided to be the proper way to do the work and it has been carried on all these years in that way. It was thought that the works last year, being of a special kind, and the Marine department having equipment and having charge of harbours, should be so carried on. The administration of the different harbour commissions is largely if not entirely under the control of the Marine department, and that is the underlying reason why these works were carried on in that way.

Mr. LAPOINTE: I understand that the works in the channel of the St. Lawrence have always been under the Marine department, and possibly it is better that it should be so. But what about the wharves in Quebec, for instance? They have not been erected by the harbour commission but with money provided by loans from this parliament, and some of them were built by the Public Works department. Why make that difference with regard to work which was carried on under the act of last year? If the harbour commission were in charge of the work, very well. But I do not see why the Marine department should come there and control this work. I am sure that if my hon. friend had been in charge and had thought it better, instead of asking for public tenders, to ask for tenders from a certain number of contractors, he would have included a few other firms than those that were asked to send in tenders. Apart from that he would not have felt compelled in addition to the engineers of his own department and those of the harbour commission to bring down an engineer from the city of Montreal to be in charge of everything, at a very high fee indeed.

Mr. ELLIOTT: How much of this vote is it estimated will be required to complete contracts already in existence—or will any of it be required for that purpose?

Mr. STEWART (Leeds): I think practically none of this vote will be required for that, because we had to issue an encumbrance against the vote of last year and under an amendment to the Audit Act you cannot now undertake a work unless you show that you have an appropriation for it. On April 1 there was still in the vote of last year a small unencumbered balance of $240,881. Some works have been undertaken since then and that balance has been reduced, but I do not think there will be much, if anything, required for works that were under way last year.

Mr. ELLIOTT: Do I understand from the minister that practically all of this will be for new work or for repairs?

Mr. STEWART (Leeds): Not new work perhaps in the sense that they will be new structures or anything of that kind, but it is for work not yet undertaken.

Mr. ELLIOTT: Not contracted for?

Mr. STEWART (Leeds): Not contracted for.

Mr. ELLIOTT: Could the minister tell us how this amount has been arrived at? If I understood him correctly, I was rather surprised that he was not able to mention any of the particular works he intended to carry out under this vote. If he cannot, how does he arrive at this amount?

Mr. STEWART (Leeds): We believe this amount is sufficient to take care for this coming year of improvements of the kind I have described. It may not all be required, but the trouble is that last year we were called upon to do considerable work that we did not foresee at the beginning of the year. This was, as I have said, on account of low water and damage to wharves. We find that a number of old wharves that were constructed years ago are not now sufficient to carry the traffic owing to the heavy trucks that are going over them. As roads are opened up and traffic develops to a certain wharf, from time to time we find that it requires an extension or strengthening to meet existing conditions. It is to take care of that sort of thing and of damage that takes place from time to time by storms that this vote is required.

Mr. ELLIOTT: Am I correct in understanding that this is largely repairs and work of that kind?

Mr. STEWART (Leeds): In some cases it is entirely repairs. In one case it may be cheaper to extend a wharf than to do some dredging; in another it may be cheaper to do dredging to give the added accommodation. It is a combination of all these.

Mr. CAMPBELL: There might be some new work in this vote?

Mr. STEWART (Leeds): To extend a wharf might be considered new work, or a breakwater for the protection of a fishing harbour might be considered new work.

Mr. ELLIOTT: Do I understand from the minister that part of this may be used on entirely new projects?

Mr. STEWART (Leeds): Yes.

Mr. ELLIOTT: Could he give the committee any idea of what proportion of it would be allotted for those purposes?

Mr. STEWART (Leeds): I could not because, as I say, we have not made up a program of works that would cover that. We do not know how much will be required for needed repairs, and certainly we are not going to take money that is needed for repairs and extensions, and for small quantities of dredging, and put it into new works.

Mr. ELLIOTT: I am afraid the minister did not understand my question. I asked him whether he could not give the committee some idea of the proportion of this vote that would be required for new works. I do not mean to tie the amount down within a few thousand dollars, but I am surprised at his answer that he cannot give any idea. That seems to be a remarkable statement to make to the committee.

Mr. STEWART (Leeds): I did not say I could not give any idea; I said that I could not tell what amount would be required because I did not know. But I do say that very much the larger portion of this vote will be required for repairs such as I have described, and we do not propose to embark upon any large or extensive program of new works under it.

Mr. ELLIOTT: Can the minister inform us as to any new works contemplated that will come out of this amount or any part of it? Can he name any of the new projects that are proposed?

Mr. STEWART (Leeds): I cannot tell my hon. friend any new work we have now definitely decided to do.

Mr. ELLIOTT: Could he give us any details then of substantial amounts of repair work so that we may have some information as to where this money is to be expended?

Mr. STEWART (Leeds): It is to be expended on every wharf that is found to be out of repair, that is not suited to modern conditions, that will not carry the traffic it has to bear. It will be spent in dredging approaches to wharves where the water is not sufficiently deep for the steamers that are coming there, and on repairs.

Mr. ELLIOTT: That adds not one syllable to what the minister gave us a few minutes ago; it gives us no information whatever. He is simply saying that generally the money will be used where it is needed. That is not sufficient information for this committee.

Mr. STEWART (Leeds): That is all that has ever been given in connection with a general vote of this kind.

Mr. ELLIOTT: The minister is quite incorrect when he makes that statement, because nearly every year there has been given to the committee a statement of certain works that are intended to be included in any sum similar to this that is voted.

Mr. STEWART (Leeds): In the bill of last year, as my hon. friend will recall, there was a schedule setting forth specific works which it was proposed to undertake. In addition there was a vote just like this to do the kind of work that we are doing. During the last few years, my hon. friend knows, our estimates have been curtailed; repairs to wharves have been restricted and maintenance has been deferred. We are now endeavouring to bring these wharves up to a reasonable state of efficiency to meet conditions that have arisen. This amount is for that purpose.

Mr. ELLIOTT: That is not, if I may say, an accurate statement of what has occurred. The practice has been to appropriate certain amounts to new docks, wharves, breakwaters and that sort of thing. Then there was a lump sum and usually an estimate was given of what would be required to carry out the works in connection with a definite list of places. I am surprised that the minister has no list of places recommended by the officials of the department where at least a substantial part of this money is to be expended.

At six o'clock the speaker resumed the chair and the house took recess.

[Mr. H. A. Stewart.]

After Recess

The house resumed at eight o'clock.

PRIVATE BILLS

SECOND READING

Bill No. 64, for the relief of Frances Goldberg Joseph—Mr. Garland (Carleton).

Motion for second reading agreed to on division.

CLARENCE MACGREGOR ROBERTS

The house resumed from Tuesday, April 16, 1935, consideration of the motion of Mr. Ernst that the house go into committee on Bill No. 43, for the relief of Clarence MacGregor Roberts.

Mr. MICHAEL LUCHKOVICH (Vegreville): Mr. Speaker, before the Easter recess I made the remark that connivance, condonation or collusion were grounds for rejection; in other words, that they were defences, so far as the respondent was concerned, against the granting of a divorce to the petitioner. The hon. member for Queens-Lunenburg (Mr. Ernst) asked me this question:

Will the hon. member permit a question? Will he indicate where in the evidence there is shown to be any connivance with respect to the particular act on which this petition is based?

I do not intend to speak at any great length on this matter to-night, because I realize that there are other more important matters awaiting the consideration of the members of this house. Therefore my remaining remarks in this regard will be very brief. The evidence shows that Mr. Roberts obtained for Mrs. Roberts a pass to Reno. He had no objection whatever to her proceeding to Reno; indeed, he did everything to make it possible for her to go there in order to get a divorce. To my way of thinking that certainly was an act of connivance; there must have been some incentive, otherwise the petitioner would not have done that. In summing up the evidence before the private bills committee the solicitor for the petitioner, Mr. Ker, stated that Mrs. Roberts was using this Reno divorce as a cloak to cover up her relations with the corespondent, Mr. Jenkins. I think that argument could be used both ways. If it was a cloak with which Mrs. Roberts covered up her relations with this corespondent it might be said just as easily that it was a cloak which was used to cover up the relations of the petitioner with this so called Miss X.

In his memorandum to the members of the House of Commons, Mr. Roberts makes

much of the fact that prior to this case being heard by the private bills committee a memorandum was sent to the members of that committee by the respondent, but Mr. Roberts is doing the same thing when he sends his memorandum not only to the members of the committee but to every member of this chamber. In other words he regards as a sin what has been done by his wife but as a virtue what he has done himself, in sending this memorandum to all the members of the house. When Mr. Roberts says the members of the private bills committee have been misled and deceived might I remind him that the circulation of this memorandum certainly has not done anything to shed any new light on the situation. If anything the petitioner has hurt his case rather than helped it. The first paragraph of this memorandum reads as follows:

> Before the senate committee the act of adultery was proven definitely by three reliable witnesses whose evidence was unshaken in cross-examination and accepted by the senate. The evidence of respondent and corespondent in denial is valueless. The record shows various instances where they have directly contradicted themselves when confronted with sworn statements made in the Montreal courts, and the fact that they deceived petitioner by going to Maine and living in the same house for two weeks is conclusive as to their relationship.

Might I remind the house that these three gentlemen mentioned by the petitioner were unemployed at the time and were hired by the petitioner to get evidence against Mrs. Roberts, the respondent. The evidence they secured was of a very dubious and suspicious character. It seems to me that the evidence was made too convenient for these three so-called detectives; the stage was set too perfectly for them, as is shown in the evidence. This Mrs. Roberts, the respondent, and this Mr. Jenkins, the corespondent, were charged with committing the offence upon which this petition was based in the living room, with all the blinds up, with a bridge lamp and a ceiling light burning and with an uncle washing dishes in the adjacent kitchen. While this alleged offence was being committed these three detectives—tomcats I might call them—were upon the roof of an adjacent building opposite, fifteen feet away. These tomcats with the microscopic eyes were up on that roof when they should have been down in the lane below rummaging among the tin cans and the refuse contained therein. They were prowling about under the starlight and the radiant beams of a midnight moon when they should have been announcing their presence to the respondent from the back gate or the back fence. Instead of that they made their way—pussy-footed, as it were—into this respondent's boudoir. I do not attach very much credence to the evidence of these so-called detectives.

As I have already said, the evidence is of too suspicious and too dubious a nature for any hon. member to believe. So far as the main incident to which reference is made in paragraph 1 of the memorandum is concerned, I say Mr. Roberts, the petitioner, might have given us an account of the three weeks' journey with the so-called Madam X. He describes the relations of Mrs. Roberts, his wife, with Mr. Jenkins, the corespondent, as flagrant misconduct. In other words according to his view it is a sin for his wife to run around with another man but it was a virtue for him to run around with Madam X. I do not know why he has called her Madam X, unless it be that there was a long string of women whom he designated by letters of the alphabet and that at this time he had reached the letter X. Probably Madam X had had the most recent claim to his affections.

Mr. JACOBS: May I remind the hon. gentleman that X is the unknown quantity.

Mr. LUCHKOVICH: Yes; certainly it is an unknown quantity, so far as this case is concerned. I believe the principle was established two years ago in the private bills committee that unless a petitioner came before that committee with clean hands he would not be granted a divorce. Does the hon. member for Queens-Lunenburg wish to upset that principle? If he has his way in this chamber undoubtedly he will ask for a vote to-day, but I would say the proper procedure would be to send the matter back to the committee for reconsideration, and have it dealt with as on previous occasions other matters have been considered.

So far as the attempt by the solicitor for the petitioner is concerned to blacken the character of the respondent by attempting to show that upon occasions she threw ash trays at her husband, I should like to ask whether there is a woman anywhere who is so virtuous that at some time or another during her life she has not thrown something at her husband, especially when he came home at an ungodly hour with the hiccoughs, whether it be an ash tray, a poker, a broom, a wash pail or possibly an axe handle. I say the arguments in this connection hold no water.

Members of the House of Commons committee have been accused of being too sentimental and humane in these matters, and the suggestion is made that we have not adhered to the strict letter of the law. It is true that

I have chosen to take the humane view rather than that of adhering to the strict letter of the law. I have before me the paragraph on which I based my reasons for my vote when the matter was before the private bills committee. At page 628 of Bourinot we find the following:

> ... for the decisions of the House of Lords on bills of divorce have not the weight that attaches to the regular legal tribunals. The majority determines, and in a minority on a vote may be found men of learning, wisdom and experience, expressing opinions adverse to the determination, more in accordance with the eternal principles of truth and justice.

The evidence was heard by the senate committee, and that committee passed the bill by a vote of four to three. In view of that small majority it would seem that there must have been some grave doubts in the minds of the members of that committee. In other words there were at least three men in the committee who cast their votes on the grounds I have quoted, namely in accordance with "the eternal principles of truth and justice." So far as I am concerned I have considered the custody of the children and the fact that so far as the offences charged in the divorce proceedings are concerned both husband and wife might have been equally guilty. With that in mind we decided not to pass the preamble to the bill.

Mr. HUMPHREY MITCHELL (East Hamilton): Mr. Speaker, I shall not detain the house very long. In my view the whole affair, apart altogether from the justice of the application, must bring clearly before this chamber the insane policy of adjudicating upon matters of this description. The matter having been dealt with by the senate committee and by a committee of the house—and in passing it may be fair to say that probably ninety per cent of the members of this chamber have not read the evidence—we are asked to make a decision simply because one of the members of the committee has felt the matter should be carried to the floor of the house. I believe this should be an object lesson to indicate the necessity for bringing about the adoption throughout the whole dominion of a policy already followed in some provinces under which cases of this description are not considered by parliament. When a committee is sitting we see members walking in and out as the evidence proceeds. Many of the members do not attend. I wonder what the complaint would be if members of a jury acted in the same manner. We should be frank and in the interests of British justice and fair play admit it would be far better if cases of this type were decided in the courts in a dignified manner rather than in the atmosphere which sometimes prevails in committees charged with dealing with divorce cases.

I have always taken the view that the first consideration in these matters should be that of the children; secondly would come the woman and then the man. We make no provision whatsoever for the children nor do we make any provision for the wife. I believe conditions would be more satisfactory if the courts were given the responsibility of deciding the right and wrong in these matters and in the present instance I suggest the house should accept the decision of its committee. After the evidence had been presented I decided that there had been connivance that they were both guilty that they had both agreed to have the Reno divorce, and that when the husband thought he would get his fingers burned he jumped out and she went ahead to get the divorce. I have maintained that when we have circumstances such as have been described it is better not to enter into a discussion. I believe it would be in the best interests of the children and of the other parties concerned if the decision of the committee were carried out. It should be noted that the vote in the committee was almost two to one against granting the divorce. We listened to the pleadings of counsel on both sides counsel for the petitioner admitting that there had been connivance in the matter. I think under the circumstances the house would be well advised not to listen to the pleadings of one member of the committee, although of course he is merely exercising his right as a member of the House of Commons in seeking to have the decision of the committee reversed. The hon. member is probably a brilliant lawyer, but a man may be a brilliant lawyer and a university man with many degrees and still lack judgment, and I would rather accept the next to unanimous view of the committee than the judgment of simply one individual member of that committee.

In conclusion I reiterate, Mr. Speaker, what I got on my feet primarily to put before the house. I am not going into the details of this unhappy case at all. Personally I would not believe the word of a private detective, having some knowledge of them in connection with labour disputes, if he stood on a pile of bibles as high as this House of Commons. I feel that I have made a contribution in putting before this house the plea that cases of this kind should be passed upon by the courts rather than by committees of the Senate and House of Commons. I hope that the house in its

judgment will agree with the overwhelming opinion expressed by the committee that this divorce be not granted.

Mr. E. A. PECK (West Peterborough): Mr. Speaker, as a member of the private bills committee and having heard the evidence and argument before that committee, I should like to say a few words in opposition to the motion which is before the chair.

I think we ought to consider very seriously this motion as it might affect the life of one of our citizens, and that citizen a woman. If the motion carries, the respondent in this case is going to be charged with what is possibly in the minds of some people the worst offence of which a woman can be guilty, disloyalty to her husband; and not only would it brand her with that disloyalty but in all probability it would have the effect of separating her from her children and depriving her of the support of her husband. It is a very serious matter. This woman has strenuously opposed the charge which has been made against her. She has fought this case as hard as she could before the senate committee. The seven members of that committee were unable to agree, after hearing the testimony, that she was guilty of the charge against her. The senate committee divided with a very narrow majority of four to three. Then the case came before the private bills committee of the house, where we considered the testimony and heard the argument and voted on the question, and the committee to which this case had been referred by this house came to the conclusion by a majority of over two to one—I think the vote stood at 21 to 9—that the woman was not guilty and that the petition should be dismissed. Then the matter came before the house by way of report from the chairman of the committee, and the report was adopted. Now at this late stage we are asked to reopen the whole matter, and the question is brought up through a form of procedure that as far as my experience in this house goes has never before been attempted. I have sat in this house for ten years and I have never heard of any report of the private bills committee being upset, certainly not any report dealing with a matrimonial case. I do think that this is a most unusual proceeding and that it should not be permitted to establish a precedent in this house for the future.

I refrain from dealing with the testimony. I quite agree with the hon. member for Lisgar (Mr. Brown) that we should not in an open sitting of this house deal with matters of this kind. We are dealing with a question of fact. We are sitting here either as jury or as judges, and whichever way you look at it we are not properly constituted to be a court of appeal because we have not before us the litigants nor have the litigants the opportunity of appearing before us through their counsel. It seems to me a most unwise proceeding for us sitting here as members of the house to undertake to deal with this question, which after all is a question of fact. I submit, therefore, that if there is any doubt in the minds of any of the members and they feel that this matter should be further considered, it should be done by a reference back to the private bills committee, or by a reference of the case to a special committee, or by reference to a judge. The case might be dealt with in any one of these ways, but I do submit that we should not at this stage undertake to reverse the decision of a tribunal appointed by this house which has given this matter the fullest consideration. I submit, Mr. Speaker, that the motion should be negatived.

Mr. SAMUEL GOBEIL (Compton): Mr. Speaker, it has been stated that we of the Catholic church would in any event vote against divorce on account of our religious principles. That is true, but I wish to remind the house that where there is no dissent, as there is in this case, we always refrain from expressing our opinion. But in this particular case I do not want to vote without making a few remarks. I do not wish to repeat what has been said on a previous occasion and again to-night, but I do not think there can be any doubt that there has been connivance between the petitioner and the respondent. I am not quite sure that it has been mentioned here that the husband provided his wife with a pass to Reno so that she could obtain a divorce. It is quite true that the pass was not used when the petitioner found that a divorce in Reno would not help him in Canada. There are other facts that clearly establish connivance between the petitioner and the respondent.

There is this other angle. It seems to me that a petitioner when he asks for a divorce should come before the senate committee with clean hands. While I have not read the whole of the evidence there is not a doubt in my mind that the petitioner is not in that situation. I will not say that the petitioner is worse than the respondent, but I say that he certainly did not come before the committee with clean hands.

Another reason why I cannot vote in favour of this motion is that the respondent is a mother who from the start seems to have cared for her children. In the letter that was read before the committee by the hon. mem-

ber for Queens-Lunenburg (Mr. Ernst), and which will be found at page 106 of the evidence, I find these two paragraphs:

You wanted a divorce at one time, Greg, and made me feel for nearly a year I was in the way. Only the good God above knows what I suffered during that time and for a long time after—I am sure you can't know what a blow it can mean to a wife and mother to know there is someone else who is taking her place.

Later on in the letter she writes:

I had begun to think you had other reasons besides the one you gave me—and worried through sleepless nights if you would not stick to your word about the children either. You promised them to me, Greg, I doubt if I would have come out as soon as I did if we had not talked this affair over and you wished me to get away as soon as possible.

The respondent apparently has always cared for her children as should a respectable mother. The care of the children will probably be affected by the decision of this house. A case is now pending in the courts to decide whether the wife or husband shall have the care of the children, and there is no doubt that if this divorce is granted the children will not be given to the mother. The wife is asking for a certain amount of money for the care of the children and for her own needs, and that question will probably be affected by the decision of this house. I have no desire to prevent a vote on this question but I do want to state my reasons for voting against the motion.

Mr. LESLIE G. BELL (St. Antoine): Mr. Speaker, before entering the chamber this evening I had no intention of speaking on this bill. The hon. member for Compton (Mr. Gobeil) belongs to a different faith from that to which I belong, but my faith is also opposed to divorce. Aside from these questions there is the responsibility of a member of parliament in connection with questions of this sort which at times must be aired in the house. The demands of this humble petitioner should receive justice.

What are the facts of this case? A man and a woman are married and they cannot agree. Rightly or wrongly there is connivance, or whatever you wish to call it, and the woman proceeds to Reno and obtains an American divorce. It is all right for the hon. member to ask about the children, but did this woman think about her children when she went to Reno and obtained an American divorce? Not at all. After getting her divorce she comes back to Montreal, but does she want to live as a divorced woman? No, she wants to live as a married woman. Why? Because she will then be able to obtain alimony from her husband in the courts of the province of Quebec. Either this woman is right or she is wrong; either she wants a divorce or she does not want a divorce. This parliament is her last court of appeal. When the husband came to the senate committee to ask for a divorce, what happens? He proved adultery against this woman. That evidence was submitted to the senate committee and he was granted a divorce.

Mr. DUFF: What about him?

Mr. BELL (St. Antoine): What about him?

Mr. DUFF: Yes.

Mr. BELL (St. Antoine): My hon. friend says, "What about him?" Has anything been proved against him?

Mr. DUFF: He admits it.

Mr. BELL (St. Antoine): He admits what? He has never admitted anything. It has never been proved that this man has done a wrong thing.

Mr. DUFF: What about Miss X?

Mr. BELL (St. Antoine): Nothing has been proved against Miss X, not a thing. Unfortunately the hon. member has been charmed by the good looks of this woman and he claims that this man has acted as wrongly as his wife.

Mr. DUFF: The hon. member for St. Antoine (Mr. Bell) should be the last man to accuse me of being charmed by a woman. I have been a member of this house for twenty years, and there is no one can cast reflections upon me.

Mr. BELL (St. Antoine): I withdraw that remark.

Mr. DUFF: You had better, and quickly. Otherwise I will tell the hon. member something he would not want to hear.

Mr. BELL (St. Antoine): I am ready to hear anything the hon. member wishes to say.

Mr. DUFF: All right, I will give it to you.

Mr. BELL (St. Antoine): I think the hon. member will admit that nothing has been proved against the petitioner to provide grounds for divorce. I am ready to take my seat if the hon. member wants to make a statement in that regard.

Mr. JACOBS: Why was it that the private bills committee of the House of Commons voted the way it did, 18 to 8?

Mr. SPENCE: Because they were lobbied, that is why.

Mr. BELL (St. Antoine): Are we going to recognize the Reno divorce which was granted to this woman and consider her as unmarried, or are we going to grant the petition of this petitioner? Are we going to say that we in Canada will or will not give a divorce? It is a question of American or Canadian jurisprudence. Is a woman to be permitted to obtain a divorce in the United States and then come back to Quebec and say to her husband, "I am not divorced, I demand alimony"? This petitioner is only a poor clerk, and he is being bled to death by a woman who wants a divorce and still does not want one. Is he going to be granted justice?

Mr. LUCHKOVICH: He was using her money to pay for the divorce in Reno.

Mr. BELL (St. Antoine): He was not using her money because she never had any. She got all the money she ever had from her husband.

Mr. JACOBS: That is wrong; the hon. member should read the evidence.

Mr. DUFF: You had better read the evidence.

Mr. IRVINE: Let us have a vote.

Mr. BELL (St. Antoine): My hon. friends have decided that I am wrong in my facts.

Mr. DUFF: Of course you are.

Mr. BELL (St. Antoine): I am giving my personal point of view. This woman comes back to Canada and she says, "No, I do not want a divorce; I want a separation, and I want this man to pay me alimony." The husband then comes to the senate committee and obtains a divorce. Then we come from the senate committee to the House of Commons divorce committee and decide that the senate is all wrong and that we should not grant this man the divorce. Personally, I am going to vote in favour of giving the petitioner a divorce.

Mr. S. W. JACOBS (Cartier): I have only a few words to offer in this debate. Everything I have to say was better expressed by my hon. friend from West Peterborough (Mr. Peck), but I have taken some interest in the matter and I want to put before the house, in as short a time as possible, any observations I have to make. The first is this. My hon. friend from St. Antoine (Mr. Bell) said that the Senate granted the divorce. He is mistaken; the Senate does not grant divorces—the Senate and the House of Commons do so. We are now before the House of Commons. Both houses must pass upon the matter; that is the law.

The bill before the house has come up in a somewhat surprising, I would not say irregular, way. The rule is that bills of this kind shall be sent to the committee known as the miscellaneous private bills committee, and this bill went there. It was disposed of by a vote of 18 to 7 or 8. That is to say, there were 18 members opposed to granting the divorce and 7 or 8 in favour of granting it. My hon. friend from St. Antoine pooh-poohs this; he says they really had no right to deal with it at all. I say that that is the proper tribunal to deal with the matter, because if we were to open the door by allowing this motion to pass it would mean that practically every bill which now comes before the miscellaneous private bills committee in matters of divorce would find its way into this house for revision. Do we or do we not want that? To recognize a proceeding of this kind is to add another terror to public life.

Mr. BELL (St. Antoine): Will the hon. member answer me this? Allowing for the fact that women have every right to change their minds, why is it that this woman went to Reno to get a divorce, then came back here and decided she was opposed when her husband got it?

Mr. JACOBS: The evidence is clear; it indicates that my hon. friend is going on facts he does not know anything about. He has not read the record. Her husband sent her down with her own money to Reno to obtain a divorce and she came back armed with this divorce, but he had been told in the interim that the divorce was worthless, as it was. He should have found that out before, but he did find it out when she came back with the divorce. It was not a divorce.

Mr. ERNST: He found it out before and took the pass from her.

Mr. JACOBS: At any rate, both parties agreed that the divorce was to be obtained. Now my hon. friend knows as well as anyone in this house does, inasmuch as he is an eminent lawyer, that a divorce obtained by connivance is worthless. It is worthless in Quebec; that is understood. So that when my hon. friend from St. Antoine talks about her going to Reno and getting a divorce, she did so at the instigation of her husband.

Mr. BELL (St. Antoine): You are wrong.

Mr. JACOBS: Excuse me; the evidence is there. Unfortunately I have read the evidence and so I know a little more about it than my hon. friend from St. Antoine.

Mr. BELL (St. Antoine): He did not make her get the divorce in Reno; she was there for weeks alone.

Mr. JACOBS: It does not make any difference whether she was there for weeks alone or with anyone else; she went for the express purpose of getting the divorce. Then she came back and was told by her husband that he had been advised by counsel that the divorce was worthless. Then the curtain rises in Ottawa. The husband appears before the senate committee as the complaining party. The wife had done her duty in Reno and had come back with a divorce which was no good, and he thought he would try to obtain one himself. The senate, by a vote of 4 to 3, decided in his favour; it decided by a bare majority of one. Why was that? Apparently the evidence did not justify it so far as three of them were concerned, but I believe the reason was that the senate committee decided or discovered as a fact that there had been connivance on the part of both parties; and consequently, under the laws and regulations governing divorce in this dominion, no valid divorce could be granted. My hon. friend cannot get away from these facts.

The case came before the private bills committee of the commons, as it had to do; indeed, it could not be disposed of in any other way. That committee decided by a large majority that the husband was not entitled to the divorce on the ground that there had been connivance both on his part and on the part of the woman, to obtain the divorce. That divorce was absolutely worthless and they so decided, and the report was made to the house here recommending that there should not be a divorce. It was reported against. Then one quiet evening at eight o'clock we were astonished when my hon. friend from Queens-Lunenburg (Mr. Ernst) rose in his place and moved that, notwithstanding the decision of the private bills committee the committee of the whole house should hear this case.

Mr. ERNST: It was not a quiet evening and it was not at eight o'clock but at three o'clock.

Mr. LAPOINTE: In the full light of day.

Mr. JACOBS: I stand corrected. It was three o'clock, and my hon. friend can take any comfort he likes in the change of hour; he is entitled to it.

Mr. HANSON (York-Sunbury): Was there evidence of adultery after the lady came back from Reno?

[Mr. Jacobs.]

Mr. JACOBS: No; the evidence was that it was before that period.

Mr. ERNST: No.

Mr. JACOBS: Yes.

Mr. HANSON (York-Sunbury): That is a very material fact.

Mr. ERNST: It was after she got the Reno divorce.

Mr. JACOBS: I am not certain about that; it all went back to the time prior to the Reno days, or so I understand. The Renovation took place after the visit to Reno. Now on principle are we going to open the door to a revision before this house of decisions arrived at by the private bills committee in the matter of divorce? A principle is involved and it is for that that we are striving. The door must not be opened for purposes of that kind. I remember very well a motion that was made last year by my hon. friend from Ottawa that a certain divorce should, notwithstanding the decision of the private bills committee, be considered by the whole house. We voted against it on the ground that we should not leave the door open for abuses of that kind to creep in under our regulations. With all these matters before the house, I ask hon. members whether in their opinion the cause of justice is being served by the house deciding on this question without having read the evidence, as my hon. friend from St. Antoine has not. Twenty-six members of the house sat in committee on this matter and heard the evidence.

Mr. SPENCE: They did not hear the evidence. The committee was packed.

Mr. JACOBS: What does my hon. friend mean when he says that the committee was packed. I think he owes it to the members of the committee to withdraw that remark.

Mr. SPENCE: I do not have to withdraw the remark because I say that the committee on private bills did not go over the evidence.

Mr. JACOBS: They heard the evidence; they heard the parties.

Mr. ERNST: No.

Mr. JACOBS: Excuse me; they heard the lady and gentleman.

Mr. ERNST: No.

Mr. JACOBS: The evidence was before them.

Mr. ERNST: It was the senate committee that saw the parties.

Mr. JACOBS: In view of these facts, the private bills committee, numbering twenty-six members, sitting and listening to the evidence or having the case put before them by counsel for the parties, having decided on this question as they did, are we justified so far as the private bills committee is concerned in deciding on this matter and by a mere wave of the hand turning to naught the considered decision which was arrived at by that committee? It is an affront to the members of the private bills committee to declare that what they decided after due consideration should be set aside by a body of people who have not heard the evidence at all, and never heard of the case until it came up in the house. We are not justified in doing that, and speaking for myself I certainly intend to vote against the committee of the whole now dealing with this bill, should it attempt to disturb the decision of the private bills committee.

Mr. ERNST: Have I the right to reply?

Mr. SPEAKER: No.

Mr. ERNST: I regret I cannot reply to the arguments that have been advanced.

The house divided on the motion (Mr. Enrst) which was negatived on the following division:

YEAS

Messrs:

Ahearn
Anderson (Toronto-High Park)
Bell (St. Antoine)
Bothwell
Bowen
Bury
Davies
Donnelly
Elliott
Ernst
Geary
Hanson (Skeena)
Hanson (York-Sunbury)
McIntosh
McLure
Mulock
Neill
Senn
Spence
Stewart (Leeds)
Stitt (Nelson)
Stitt (Selkirk)
Swanston—23.

NAYS

Messrs:

Arsenault
Belec
Bertrand
Blair
Bourassa
Bourgeois
Boyes
Brown
Cantley
Coote
Deslauriers
Desrochers
Dorion
Dubois
Duff
Dupré
Dupuis
Duranleau
Factor
Fafard
Fiset, Sir Eugène
Fortin
Gardiner
Gobeil
Golding
Heaps
Irvine
Jacobs
Lapointe
Lucas
Luchkovich
Macdougall
MacInnis
MacNicol
Macphail, Miss
McKinnon
McPhee
Mercier (Laurier-Outremont)
Mills
Mitchell
Motherwell
Munn
Peck
Perras
Porteous
Reid
Rennie
Rhéaume
Ross
Sanderson
Sauvé
Séguin
Shaver
Smith (Victoria-Carleton)
Smith (Cumberland)
Spencer
Spotton
Sproule
Stinson
Sutherland
Thompson (Lanark)
Verville
Weir (Macdonald)
White (London)
Woodsworth—65.

Mr. SPEAKER: I declare the motion lost. The time for the consideration of private and public bills having expired, the house will revert to the consideration of government orders.

PUBLIC WORKS PROGRAM

WORKS, UNDERTAKINGS AND GUARANTEE OF RAILWAY EQUIPMENT SECURITIES TO CREATE EMPLOYMENT

The house resumed consideration in committee of Bill No. 63, to create employment by public works and undertakings throughout Canada and to authorize the guarantee of certain railway equipment securities—Mr. Stewart (Leeds)—Mr. Morand in the chair.

On schedule A, item 9—Harbours and rivers generally, $2,500,000.

Mr. CASGRAIN: When the Minister of Public Works was discussing this bill before the adjournment he gave certain explanations with regard to the work that would be carried on with this amount of money, which to my mind did not carry conviction. He said one of the reasons for voting this money was to take care of emergency cases where work was absolutely necessary, and that this had been done in the past, especially last year, following certain severe storms on the Atlantic seaboard and along the north shore of the St. Lawrence river. I have before me, Mr. Chairman, a number of instances in which on many occasions during the past few years the attention of the department has been directed to certain public works which were absolutely necessary in various municipalities in my district. In 1932 and 1933, whenever the public works estimates were under consideration, I took the opportunity to make the necessary representations in order that the government might fully understand the needs of the people I have the honour to represent in this house. That was the case even more so last year. I have before me a copy of the orders of the day of May 21, 1934, in which I put the following question to the government:

1. Has the government reconsidered requests already made since the year 1930 with respect to dredging work to be undertaken at Pentecôte river (Riverin river) on the north shore of the St. Lawrence river?

2. If so, will the government comply with such requests this year?

If I remember correctly, at that time the government said the matter was under consideration. Another question was with regard to certain necessary works at Aux Coudres island and Mutton bay. A further question had to do with the construction of protective works and a wharf at Moisie, in the county of Saguenay. Then, I asked a question concerning the construction of a wharf at a place called Magpie, and the construction of a breakwater at a place called Longue Pointe de Mingan. There was a question concerning the enlargement of the wharf at Harrington harbour on the Canadian Labrador, and another question about the wharf at Hamilton cove in the county of Saguenay. At the same time requests were made for improvements to the wharf at that place.

In connection with the enlargement of the wharf at Dolbeau, it would be only fair to say that according to a report tabled a few days ago it would appear that certain work has been done at that point, although not all the work recommended in the reports of engineers for the district of Quebec has been done. Then, questions were asked concerning works at Betsiamites, Beaupre, Rochers bay, Petites Bergeronnes, Pointe-au-Boisvert, Point Lebel, Port-au-Persil, Port-au-Saumon, Riviere-aux-Vases, River Blondelle and St. Anne de Beaupre. As regards this last item it would be but fair to say that certain works were being carried on last summer. I do not believe however that all the works which were considered necessary were done at the point. At St-Jean river on the north shore of the river St. Lawrence certain retaining walls were recommended by officials of the department. At a place called St-Margaret river certain retaining walls were recommended a good many years ago, but those recommendations were not carried out.

I wish to draw especially to the attention of the committee the question concerning the construction of a post office at Pointe-au-Pic. I believe during the election campaign of 1930 there was talk of having a post office built at that point, and since that time I have continued to urge the construction. Then, requests were made in connection with a wharf at St-Simeon on the Riviere Noire. At that point some small amount of work was carried on last year and the year before, but only those repairs which were absolutely necessary were done. There was also a request for the reconstruction of the wharf at St-Irenee.

I now reach another item, Mr. Chairman, namely the enlargement of the wharf at Petite Riviere St-Francois, which is a settlement of fishermen in Charlevoix county. The wharf at that point was built many years ago and should be enlarged. Representations and requests have been made but nothing has been done. At a place called Sheldrake on the north shore of the St. Lawrence a breakwater was needed and I believe a recommendation was made by an official of the department. Last year at Baie St-Paul on the Gouffre river work was carried on which was begun about ten years ago in order to prevent the river from flooding part of the village.

There are two other points to which I wish to draw the attention of the Minister of Public Works. Last fall, during the big storms to which the minister referred before six o'clock, the wharf at Seven Islands was entirely dismantled, with the result that to-day the vessels which ply between the south and north shores have no access to that place. It is a small fishing village, and a wharf is required. I wrote the minister, and also his department, but I did not see in the main entimates or in this measure any expenditure for work at this point. I should like the minister to tell me whether or not out of the vote of $2,500,000 a certain amount will be set aside for work at the wharf at that point. I believe it would cost about $150,000, and is quite necessary. As regards the wharf at Havre St. Pierre I find that in the main estimates there is an appropriation of $75,000 for wharf reconstruction. I am pleased to note the government has come to realize the necessity for this work, because last year when I visited that part of the district on the north shore of the river St. Lawrence I found that the wharf was in a most precarious and dangerous condition. I do not know whether or not at the present time tenders have been called for that work. The navigation season is now open, and each week the vessels are making their regular calls. They are going up and down the river St. Lawrence, and I believe it would be well to have the work done as quickly as possible and with the least possible delay.

All the works of which mention has been made are of importance. Last year when a similar bill was before the house I indicated that these works were required. Some of them were recommended a good many years ago, but of course all of them could not be carried out. My hon. friend may say, "Why did you not have these works done while you were in office?" Well, the minister should

know that every year there are great amounts of work to be done in various parts of the country, and it is impossible to have it all done at once. Surely however in the last five years when there has been distress and necessity, and when in these villages there has been a great deal of unemployment, the work could have been done. The fishermen along the north shore of the river St. Lawrence could not earn a living, and I think it would have been only fair and just to give them a chance to earn a certain amount of money and at the same time to carry out the construction of the necessary works, all of which have been approved by officials of the department. If the work had been carried out it would have helped the population by way of giving relief, and would have given to those communities facilities and communications which were greatly needed.

I do not criticize the minister unduly, but I would urge upon him the necessity for carrying out more especially the work at Seven Islands, that at Havre St. Pierre and some other works which have been mentioned and which have been before the department for some time. I hope the minister will pardon me if I insist upon having the work done. I should like him to tell me how many of these works the people of my district may depend upon having done out of this vote for $2,500,000. These works are necessary from the point of view of communication, and would help relieve the conditions in the communities affected.

Mr. STEWART (Leeds): I realize the constituency of the hon. member is one having a very long coast line.

Mr. CASGRAIN: Eight hundred and eighty-five miles.

Mr. STEWART (Leeds): Yes, over 800 miles of coast line, along which numerous harbours and wharves are required. He has spoken about the work required at Seven Islands, and in that connection his observations are quite correct. A report received by our department indicates that either repairs should be done or a new wharf should be built in a location which might give better service. That feature of the matter is under consideration by the engineering department. To illustrate the difficulty of dealing in advance with matters of this kind, may I say that in the constituency represented by the hon. member nineteen works were carried on last year. The amount spent totalled $80,472. Only one other constituency in the province of Quebec had a larger number of works upon which expenditures were made, or had a larger total expenditure. All the requests of the hon. member have been noted, referred to the chief engineer and through him to the engineer in the district. This information is being assembled, and when that work is done we will know which ones should be proceeded with in the present year and which ones we cannot undertake at this time. I can assure the hon. member I appreciate the difficulty existing in his constituency, in view of the long coast line.

Mr. CASGRAIN: Could the minister tell me the other district which he has mentioned which has more coast line, and has received more public works expenditures than has the one I represent?

Mr. STEWART (Leeds): Gaspé.

Mr. CASGRAIN: In the province of Quebec?

Mr. STEWART (Leeds): Gaspé.

Mr. ELLIOTT: I wonder if the minister can give us an idea of how this $2,500,000 is distributed among the different provinces and in what sections of each province?

Mr. STEWART (Leeds): I thought I had made it very clear before the adjournment, Mr. Chairman, that it would be impossible for me to give my hon. friend that information, much as I should like to do so. I think he will agree that whenever it has been possible for this department, either under his administration or under the present administration, to furnish information it has been cheerfully given. I hope the department has established a record in that respect. I just want, however, to point out to my hon. friend something that I have learned during the recess in reviewing the expenditures under a similar vote last year. I asked the officials to furnish me with a list, which I have had time to run over hurriedly, and I find that there were 549 different projects upon which expenditures were made out of a vote similar to this: in Nova Scotia, 141; Prince Edward Island, 10; New Brunswick, 48; Quebec, 170; Ontario, 94; Manitoba, 5; Saskatchewan, 1; Alberta, 2; Northwest Territories, 2; British Columbia, 176. So there is no allocation by provinces and no allocation by districts. It is just a question of what expenditures we find necessary to make out of this general vote from day to day and from month to month. It is for that purpose that the vote is provided. I think my hon. friend will recall that in the main estimates where a general vote of this kind is taken it has been found impossible in the past to give details as to where the money will be spent. I am sorry that I cannot comply with my hon.

friend's request for information but I think he will agree that the statement I have made is a reasonable one and clearly and accurately sets forth the difficulty in giving the information.

Mr. ELLIOTT: In regard to what happened under the vote of last year I understood the minister to say before the house rose at six o'clock that he would while the committee was sitting give us the disposition of the $2,500,000 last year.

Mr. STEWART (Leeds): I gave the expenditures by provinces before the committee rose.

Mr. ELLIOTT: Oh yes, but my question had reference to the different works on which it was spent.

Mr. STEWART (Leeds): That would involve a very long and detailed statement, information as to which has already been laid on the table in the statement furnished by the Minister of Finance. As I say, there were 549 different works ranging from $100 and even less up to thousands of dollars. I do not know that it would help the committee in any way to relate what was done last year to what should be done out of the vote this year. I do wish to say, however, in connection with this public works program that more information has been given to the house than in connection with any other estimates that have ever been before us, both through the statement that has been laid on the table by the Minister of Finance, and through the fact that every order in council passed under the act has been laid on the table. In view of the fact that we have left open two or three items of our regular estimates for the furnishing of any information which hon. gentlemen may require in addition to or even in duplication of what has already been given, I do suggest to my hon. friend, with a view to getting on with this bill and getting the funds available for work, that he reserve his request for specific information and I submit that it would not help very much to give in detail the expenditures on practically 550 different projects. The program this year will be along the same lines as last year.

Mr. ELLIOTT: I want to express my appreciation of the manner in which the minister has given considerable information with regard to the works that were let by tender after public advertisement, by invited tender, and the works done by day labour. My recollection is that the statement of the Minister of Finance to which he refers, and I speak subject to correction, covers only the period up to the last of February. I think that was the latest date up to which the Minister of Finance provided us with a statement of what had been expended and of the places to which it had been allotted. With respect to the balance of the expenditure of the vote last year we shall expect to have, before these items are disposed of, information as to those expenditures similar to the details that have already been given.

As to the amount of $2,500,000 that appears in this schedule, the minister is not quite fair to the committee. I say that with some reluctance, but I am bound to say it. The minister is not quite fair to the committee when he says he cannot tell us where any of that money is to be expended except that generally it will be expended on improvements and repairs. He knows perfectly well that an estimate is given to him by the local engineers in the different districts, passed upon by the chief engineer, and also by the local architects, approved by the chief architect, in connection with buildings, showing where expenditures are needed and are likely to be made. This vote of course refers to harbours and rivers. We have nine provinces and the people of those different provinces have a right I think to know how much is to be expended, and where it is to be expended. They have a right to be given at least some idea in regard to that expenditure. But what the minister has said with regard to this $2,500,000 makes it impossible for anyone to understand how he could have arrived at that figure or at any amount if he did not know at least some of the places where the money was going to be expended. I do not expect him to give the full details, but we are now past the middle of May, pretty well on to the beginning of June, and this is the time that the work should be going on. Does the minister say in all seriousness that he has at the present time no recommendations at all from the engineers with regard to the expenditure of at least a substantial portion of this vote? If that is so then it is the first time it has happened in the department. I think we advance the interests of the department, of the minister and of everyone charged with the responsibility of getting these estimates through in a reasonable time when we make as full a disclosure as possible with regard to where the moneys are to be expended. When the minister states on May 21 that he cannot tell where any portion of this $2,500,000 is going to be expended, I do not think he expects us to take his statement seriously.

Mr. STEWART (Leeds): In view of the information I have given the house on every occasion I am surprised at the attitude of my hon. friend who suggests that I am attempting to deal in a way other than fairly with this committee. I resent such a suggestion. In connection with the regular estimates, what he has said is perfectly true; we do have the reports of the engineers. Where we have such information the necessary items are placed in the regular estimates. In the Public Works Construction Act of last year we had a long list of specific items in connection with wharves and wharf repairs, but we also had a general vote similar to this item. Neither my hon. friend nor any other hon. member of the house took the position last year which he has taken now, that with respect to this general vote of $2,500,000 for unforeseen repairs and improvements we should be expected to give particulars of the expenditures. I have given to the committee all the information available, and I regret I cannot comply more fully with my hon. friend's request. I think he will agree that he is asking more this year than he did last year in connection with a similar vote. In the absence of any allocation of expenditures it is impossible to give the information for which he asks.

Mr. ELLIOTT: I just want to say to my hon. friend that if by not pressing this matter last year as diligently and as strenuously as it should have been pressed we have established a precedent, we will endeavour not to take a similar course at this session. I recall that last year the Public Works Construction Act was brought down immediately before adjournment, and it was run through in a very short time. It was intended that this bill should be put through in the same way, but in view of what took place last year and in view of the attempt which was made before the recess to put through these items within thirty-six hours of when we first saw the list, I do not think it is the disposition of the committee at the present time to allow this bill to go through.

My hon. friend states that he got away last year without giving details, and apparently he thought he could do the same this year. I do not think such an argument helps him. I may say that in connection with an expenditure of $39,000,000 provided for by the Public Works Construction Act of last year there were 185 items, while this year, in connection with an expenditure of $17,940,000, there are only 14 items. Following that line of reasoning, if it should be possible for this government to be in office next year and be putting through another Public Works Construction Act—I do not think anyone believes that that is reasonably possible—we will probably have just one item. Within a year they have cut the number of items from 185 to 14, and we might expect that they would make a further cut from 14 to one. They would probably be asking for a lump sum of $17,940,000 for public works generally. Actually that would not be much worse than what we have here. My hon. friend says that he cannot give us any details in connection with this item of $2,500,000 outside of stating that it will be used in improving harbours, repairing wharves and doing other necessary work. If he cannot give us any more information, what is the object of this committee sitting? Apparently it is just to give carte blanche to the government to spend this money without disclosing to the committee where it is to be expended. My hon. friend says that he cannot say where any of this $2,500,000 is to be expended, except that it is to be spent generally on repairs and improvements.

Mr. CASGRAIN: In Canada.

Mr. ELLIOTT: We did expect that it would be spent in Canada, but we also expected more details. I do not want the minister to misunderstand me; I appreciate the manner in which he has provided information. In that connection he is more worthy of congratulation than those who represent other departments in charge of work being done under the Public Works Construction Act. However, this department is the main spending department in connection with works of this kind and I do not think the minister is serious when he tells us that his officials cannot say where any part of this $2,500,000 is to be spent. There must be a list in the possession of the chief engineer made up from lists received from the district engineers which would indicate where all of this money or a very substantial part of it is to be spent. The list may not be conclusive, as the orders in council have not yet been passed, but I do not think the minister should expect us to pass this item before receiving information as to the places where this money is to be spent. I have no doubt the minister has a list of the things recommended by the engineers.

Mr. LAPOINTE: Let us have that list.

Mr. ELLIOTT: Let us have the list of the things which have been recommended.

Mr. CASGRAIN: What is most necessary?

Mr. ELLIOTT: The minister did not jump at the sum of $2,500,000 without making some calculations. Let us have that list.

Mr. STEWART (Leeds): The position is exactly the same as it was last year in connection with works of this kind. When we came down to the house last year with the Public Works Construction Act, Bill No. 113, we did not have a list of the works that we proposed to undertake with respect to the general vote. We went on and did such repairs as we found to be necessary. We found that last year the expenditure in connection with these 549 items totalled the amount I have mentioned, approximately the whole of the vote. We believe that conditions will be the same during this year, and basing our conclusions upon the experience of last year and the necessary work that was done, the work which we expect will be necessary this year being similar, we say that a similar amount is required, and that is the way in which we have arived at the amount that has been inserted for this item. With respect to the general item that has appeared in the estimates from year to year for similar works on a similar scale, details have not been available when the item has been submitted to the house and they are not available now. We have, as I have said, a very long list of requests and suggestions, but there has been no selection from these of what will be done, and it is to take care of the most necessary and desirable of these that this item is provided. It will be made sufficiently elastic to take care of the requirements from time to time.

Mr. STEWART (Edmonton): There is nothing new about the statement the minister makes with respect to this or any other vote which the government undertake with their majority to press through the house. We simply do not get the information. True, the same complaint cannot be lodged against the Minister of Public Works with respect to his estimates; he does provide information. But —and this is not the first time it has happened —the moment they want more money, it matters not under what department it is, they begin to secure it under the guise of relief. This has been occurring too often and we are tired of this method of voting public money for the government to use as they please, spending it wherever they take the notion to spend it. When the minister says, "We are doing the same as we did last year," of course he is. They were going to put this vote through in twenty-four hours owing to the necessity of the occasion. Now they had a very considerable sum unexpended, money voted last year, which must have kept them going nicely, and I say to the minister, after looking at these votes rather carefully, that with the exception of one or two they will provide mighty little employment for the people who really need it. The minister does not say for a single moment, surely, that it will be spent where employment is necessary. It will be spent on wharves and harbours in connection with which in many instances they will have to import labour. So that it is pretty nearly time the government were checked up good and short with respect to the manner in which they treat the House of Commons in connection with this vote and many others. In former days hon. gentlemen when they sat on this side insisted on full particulars; but now they have come down every year under the guise of relief and voted more than one half their capital expenditure. I do not know about the members who support the government, but so far as the members of the opposition are concerned, they have to be content with the assurance that in the good judgment of the government hon. gentlemen opposite will place this money where required. May I point out that that is hardly the way in which public business should be conducted or be allowed to be conducted. We are supposed to have been sent here to find out something about the expenditure of public money, where it is being spent, and so on, but this is the kind of information we get every time we inquire with regard to these matters.

Mr. STEWART (Leeds): Let me point out to my hon. friend again that in no department of the government, with respect to the regular estimates from year to year, has the same amount of information been given to the house and to the committee regarding the way in which the money has been spent or how it is proposed to be spent as has been given in connection with the work conducted under the Public Works Construction Act. As I have said, the Minister of Finance comes in and lays on the table a detailed statement, and every day orders in council passed are tabled. There is no desire to conceal anything or to withhold from the house any information that is available, and if I could give the information which he asks for I would give it cheerfully. But I have explained the situation. I think the position taken is reasonable. It is the only one we can take under the circumstances and I am prepared to accept the judgment of the committee in that regard.

Mr. STEWART (Edmonton): I would point out to the minister that not only in the relief vote but in the general estimates there has been a tendency from year to year to bulk

the estimates under one number. It runs all through the estimates, and every year we get more meagre information. All I can say is that when the hon. gentleman sits over here, as I suppose he will, he will have to be satisfied with far less information than he demanded in the past—and he was not slow to demand information. I have a vivid recollection of the hon. gentleman sitting over here and insisting upon having the fullest information, and he cannot wonder at our amazement when we find that he is a party to curtailing information both in the estimates themselves and in items that appear under the guise of a relief vote.

Mr. POWER: I am rather relieved to hear from the minister in the course of this discussion that he does not know just where he will spend the money which he is asking us to vote. If he does not know now where he will spend it he could not have known five or six weeks ago, so that during the interval between April 17 and this time it would not have been possible for him to put these public works into motion. Shortly before the recess I heard the Minister of Railways say that we had to take the responsibility if we stopped this public works bill from going through. The implication was that there were a lot of starving people throughout the country who would blame us if we did not hustle up and pass this bill. But what good would it have done these starving people if the minister did not know where he was going to spend the money? He does not know now and he could not have known then, so that he would have had nothing to do for five weeks except to find out where he would spend it. Some hon. members on the other side were in a tearing, roaring mood, wanting to hurry the bill through. The minister is always very quiet and polite, but my good friend the Minister of Railways looked at us with blood in his eye and said, "You must take the responsibility for it if this money is not voted before the recess." Really I was somewhat anxious.

Mr. MANION: Does the hon. member think we should have spent it in the recess although it was not voted?

Mr. POWER: Not at all.

Mr. MANION: What is he complaining about?

Mr. POWER: I do not think the Minister of Railways misunderstood me.

Mr. MANION: I understand the hon. member very well.

Mr. POWER: The minister was in a terrible hurry to spend it. Surely, if he was in such a hurry, he must have known where he was going to spend it, and yet to-day, five weeks after, he cannot tell us.

Mr. MANION: There was no use in looking into methods to spend it until he could spend it. Until the money is voted, he cannot look into where he is going to spend it.

Mr. POWER: Do I gather from the minister that it is never the custom to know, before the money is voted, where it is to go?

Mr. MANION: Sometimes.

Mr. POWER: The minister comes before the house and says: I want so much money for the Trent Valley canal. Then, when we ask him for the details, he tells us how he is going to spend it. I am sure he could even give us the details of the expenditure for the Toronto tunnel. Yet here we are, five weeks after the date when the minister was in such a hurry, and even now he cannot tell us just where it is to be spent. I am not blaming the Minister of Railways, but my conscience is relieved. I have not on my conscience the feeling that some poor devil did not get a job during those five weeks. The newspapers throughout the country have, since the recess started, been spreading it broadcast that the Liberal opposition held up the public works bill and kept labour from being employed throughout the country.

Mr. MANION: They are holding it up yet.

Mr. POWER: Since the house reassembled, I doubt very much in so far as the proceeding up to the present is concerned, whether that accusation would be true about this side of the house. Most of the time yesterday was spent in eloquent speeches by hon. members opposite describing the beauties and glory of Hanlan's island and the city of Toronto. I do not blame them. If the committee will pardon me I am rather reminded of a time some years ago when the party which is sitting on this side of the house was sitting opposite on the government benches. They were putting through a vote of some $13,000,000 or $14,000,000 for grade crossings, I think it was, and some hon. members supporting the then government, with perhaps a greater show of independence than have members who support the present administration, were rather opposing this vote. One hon. member who afterwards became Solicitor General suggested to the house that perhaps it would be a good thing to vote this money provided that one would be able to go right through Toronto

without stopping. To this my good friend the late Billy Maclean, who was sitting in the very seat I am at this moment occupying, said that he hoped that would be the case if the hon. gentleman were on the train. May I suggest that a similar method would have been the best way to get through the Toronto vote that we have been discussing for the last two days; if somebody had had the same wit and brevity of speech as that possessed by the late Billy Maclean, I have no doubt the Toronto vote would have gone through in half the time.

As regards this item, we are entitled to get the information. We have asked for it politely; we have asked for it energetically and we are not getting it. May I suggest to the minister that in all this there is a good deal of what is vulgarly called bluff; that really this public works bill and last year's public works bill are nothing but bluff to fool the electorate. All we are doing is trying to catch up the slack of normal public works which we did not carry on during the years 1930-31, 1931-32, 1932-33 and 1933-34. This is just employing the same tactics as were used by my hon. friends opposite in connection with relief in 1930, the first year they came into power. If my memory serves me aright, under the estimates of 1930-31 there was something like $32,000,000 voted for public works. In March of 1931 we found that the amount expended was $8,000,000 less than the amount which had been voted. Yet this government proclaimed throughout the country: We will relieve unemployment by having a public works program and voting $20,000,000. In 1930 we voted $20,000,000 and prior to March 31, 1931, we expended only $4,000,000. Therefore although they stated that with this $20,000,000 they were going to help the struggling people of this country to get jobs and to relieve unemployment, as a matter of fact they saved $2,000,000, if not $3,000,000 for the public exchequer.

That same line has been followed ever since. Last year the public works estimates, those for harbours and rivers and public works generally, the ordinary normal public works that are usually carried on, were reduced. This year there is again the same situation. Nevertheless, they are trying to get some credit from the country in two ways, one in being able to say: We have a balanced budget, telling the people that the revenues are equal to the expenditures and pointing to their public works estimates as being the usual means of finding out how much money they are spending on public works. That is one advantage they gain by telling the people they are saving money. Then they bring down a bill such as this and say: We have spent $33,000,000 in this case and there was $40,000,000 last year, which by the way was not all expended. But a large proportion of the items included in these bills are simply such as would have entered into the ordinary public works estimates in normal times. In other words, by a bill such as this we are making up for the almost criminal neglect of the government in not having provided the ordinary normal service of public works throughout the other years during which they were in power. I think by a close examination and analysis of the estimates it will be found that that is a true statement of fact; that if you take all the years since 1930 when this government came into power and take the average of expenditures on harbours and rivers for four or five years before, you will find it will not take long to make up the $2,500,000 now proposed to be voted on harbours and rivers. On that ground I say that the government have no right to take any very great credit to themselves for having proposed to expend this money on what they call a public works program. It is only an ordinary everyday program that the Minister of Public Works normally should have carried out in the four years he has been in power. I do not believe there is any necessity to get excited over this matter, to cheer the government for its action. The only thing I can blame the minister for is that under the circumstances now, instead of giving a detailed estimate as he would normally have done, he takes the money in a $2,500,000 vote which he can spend where it is most needed when the proper time comes.

An hon. MEMBER: The government will need it.

Mr. POWER: That is what this public works bill amounts to; it is a political bill. I do not blame the government for having a political bill, but do not let them be hypocritical. This is intended to do good to the party during the election, and on that understanding with my hon. friends opposite, that they agree that that is the case, I am quite willing to help them out, because, as has been said by an hon. member, they will need the money.

Mr. MANION: My hon. friend is so honest, I would like to ask him a question.

Mr. POWER: I am not honest; I am just like the hon. member.

Mr. MANION: I know his friend the hon. member for West Middlesex (Mr. Elliott)

will not be able to answer the question because he was in power during the time the estimates went through, so he probably would not know anything about them.

Mr. ELLIOTT: My hon. friend is speaking of railways.

Mr. MANION: I am speaking now of public works about which I do not know anything, but I think I know as much as my hon. friend did when he was minister. This item is $2,500,000, and the hon. member for West Middlesex, who was formerly Minister of Public Works, has been making a great fuss about the matter. While he was talking in that indignant tone about the present minister not giving details, I was looking through the estimates for dredging alone in 1930, also a pre-election year like this one. The hon. member for Quebec South admitted that sometimes governments put through bills for the purpose of getting votes, or something to that effect; at least I thought that was what he implied, and I must confess that I resent that suggestion. However, I see an item in the estimates of 1930 to which I should like to refer. At that time the hon. member for West Middlesex was Minister of Public Works. I hope he will not be defeated for the next few years; I like to see him here as a member. Item No. 141 of that year, however, provided $1,750,000 for dredging alone, and I am going to give the committee all the details that are given in the item.

Mr. POWER: What year?

Mr. MANION: In 1930, when my hon. friends were in power.

Mr. POWER: What item?

Mr. MANION: Item 141, at page 44. That was a pre-election year. Before I deal with this item, I notice that in the estimates for that pre-election year there were pages and pages dealing with dredging here, there and everywhere, but just in case they did not have enough to spread around among their friends they threw in this item of $1,750,000. The details were as follows:

Dredging—
Maritime provinces, $650,000.
Ontario and Quebec, $600,000.
Manitoba, Saskatchewan and Alberta, $125,000.
British Columbia, $375,000.

That makes a total of $1,750,000.

Mr. CASGRAIN: That is given by provinces, which is more than we have here.

Mr. MANION: I imagine my hon. friend the minister could guess at the provinces, if he wanted to.

Mr. DUFF: That was for government dredging. My hon. friend does not know what this is all about.

Mr. MANION: It was probably for government support rather than government dredging. However, I do not intend to delay the item.

Mr. DUFF: No, don't, because you are only making it worse.

Mr. MANION: The Minister of Public works tells me it was for both government and contract dredging. The point I am making is that under this one item, without any details except the mere mention of the provinces in passing, $1,750,000 was voted for dredging alone, not for harbours and rivers generally but for dredging alone. I have no particular complaint to make, but I remember how quietly I sat on the other side when my hon. friends passed that item. I am sure I did not utter a word of complaint about it. My hon. friends were not quite as honest as we have been. We bring down our estimates at the beginning of the session and give all the details as we go along. My hon. friends preferred to wait until the last night of the session and then run through $40,000,000 or $50,000,000 in the last half hour. There were no details of any kind given, but we were all so tired of the session and of hon. gentlemen as a government that we were glad to let them get through without giving the details.

Mr. DUFF: Does my hon. friend forget April 17?

Mr. MANION: I do not know what my hon. friend is talking about. I repeat that hon. gentlemen opposite have very little to complain about when we ask only $2,500,000 for harbours and rivers generally throughout the country, when they put through $1,750,000 for dredging after devoting page after page to items dealing with dredging and similar work, in the same estimates.

Mr. GRAY: I would not have risen had it not been for the remarks of the Minister of Railways. I recall very vividly that when this bill was before the house on Tuesday, April 16, the first item called for $1,000,000 for grade crossings. In reply to a question asked by the ex-Minister of Public Works the Minister of Railways said, "Oh, I cannot possibly give the details because these grade crossings come under the board of railway commissioners, and I cannot say where they are located." Then we passed on to the second or third item, and I remember how anxious hon. gentlemen opposite were to get this bill through before we adjourned on Wednesday night. They knew that item No.

7, concerning the Toronto tunnel, was coming along; if only they could escape any discussion in connection with that item how happy they would be. At that time the Minister of Railways said, "Just ask us anything; just ask us where any of this money will be spent and we will tell you. We are not trying to hide anything; we are not like the government that we succeeded." He made the same statement he has made to-night; he had the same old bluebook before him.

Mr. MANION: My hon. friend is making it up as he goes along, but that is all right.

Mr. GRAY: It is all on the record. My hon. friend produced from his desk the same bluebook he produced to-night, and he said to the committee, "Look what the King government did. They voted these huge amounts of $1,000,000, $2,000,000 or whatever it was, but they did not give any details."

Mr. MANION: One item included $10,000,000, without details.

Mr. GRAY: All right, make it $10,000,000. Then the minister said, "We are not like the King government. Just ask us and we will tell you." Now when the ex-Minister of Public Works and others ask for a detailed statement in connection with this amount of $2,500,000 the Minister of Railways comes along and says, "Oh, you did the same thing." That is at least some excuse, but the Minister of Public Works says, "I do not know; I cannot tell you where the money will be spent." During the recess we have been accused—and perhaps the Minister of Railways has been the most ambitious of all—of having held up this bill.

Mr. MANION: I made only one speech.

Mr. GRAY: My hon. friend boasted of it before the recess. He met a committee of men representing the railway shop workers and said, "I do not know what we are going to be able to do, by reason of this Liberal opposition. Perhaps we will have to revise our whole scheme; perhaps we will not be able to include this vote at all." To-night he comes along and says, "We are doing exactly what you did." Surely if year after year we are going to spend the time of this house and of the country in considering these estimates we are entitled to know where the money is to be expended. Surely after all these months since this amount of $2,500,000 for harbours and rivers generally was placed in the estimates, we are entitled to know where this money is to be spent. If the government are not prepared to say where it will be spent certainly this item should be removed from the bill.

[Mr. Gray.]

Mr. SANDERSON: I was very much interested in the remarks of the Minister of Railways and Canals. I have a very clear recollection of a speech made last session, I think it was, by my hon. friend on railway matters in general, during which he charged the King government with rolling the pork barrel from the Atlantic to the Pacific.

Mr. MANION: And back again.

Mr. SANDERSON: And back again; I am not sure that he did not say it went over the country two or three times. Some time during the month of March the Minister of Railways went back to his home town of Fort William, I think to receive his nomination, and I am very glad he was nominated again. The day before the nomination, however, a news item was sent from Fort William to Toronto—I am sorry I have not the paper under my hand; I think it is upstairs in my room—purporting to contain an interview with the minister, during the course of which he said, "We are going to get a lot of money for dredging in Fort William. We now have an estimate of $150,000." Remember, this was the day before his nomination. He went on to say, "After a while I will get you a whole lot more." I should be interested in asking the Minister of Public Works if he could give the estimates for Fort William. One of the minister's colleagues would have the information. Would the Minister of Public Works give the appropriation for Fort William?

Mr. STEWART (Leeds): I would hasten to say there is no appropriation in this vote for Fort William.

Mr. SANDERSON: Was the Minister of Railways and Canals not correct when he said $150,000 had already been arranged?

Mr. MANION: Perhaps the Minister of Railways and Canals could answer that question himself.

Mr. SANDERSON: All right; in a moment I shall be pleased to have the minister answer. But, to get back to railway equipment may I say that I have in my hand a copy of the Free Press Prairie Farmer of Winnipeg, dated May 8, 1935, and from it I read the following:

Ottawa may revise big railway scheme.

Following that heading the article continues:

Ottawa, May 2.—Representations made to Hon. R. J. Manion, Minister of Railways, by Mayor John Queen, of Winnipeg, with respect to the proposed expenditure of $15,000,000 on new railway equipment and on repairs to existing equipment elicited the answer that this program may have to be revised.

Owing to the intractability—

That is a pretty good word—

—of the Liberal party in preventing the enactment of the legislation prior to the Easter recess it may not be possible to carry through the original program of expenditure.

Then the article proceeds to state:

Mr. Manion pointed this out to Mr. Queen, but promised that he would do his best to obtain a fair share of whatever moneys are to be spent for the three railway shops in the Winnipeg area.

The word "intractability" to my mind means that the Liberal party were out of control, and that they were not doing their duty. If on those dates, April 15 and 16, any party was out of control, certainly it was the government party. There was full control on this side of the house, and yet we find the Minister of Railways and Canals trying to blame the Liberal party, and stating that the vote of $15,000,000 may not be spent at all because the opposition blocked it.

Mr. MANION: So they did.

Mr. SANDERSON: In what way? I will say to the minister that not a single member of the Liberal party criticized the vote of $15,000,000, $8,000,000 going to the Canadian National Railways and $7,000,000 to the Canadian Pacific Railway—not one member.

Mr. MANION: They blocked the whole bill, that is all.

Mr. SANDERSON: No, they did not. I take issue with the minister when he makes that statement. He is wrong when he says that, and he is deceiving the people of Canada when he tries to get that propaganda over.

Mr. MANION: Surely I do not understand English if I do not know what happened. Hon. members opposite held up the bill on the Wednesday the house adjourned. They tied it up, and prevented not only the giving of railway equipment orders, but the passage of the remainder of the bill. Is that not correct?

Mr. CASGRAIN: We had only one day to discuss it.

Mr. MANION: It was discussed three days —one day on the resolution and two days on the bill. My hon. friends opposite devoted their time to blocking the bill, and succeeded in blocking it. They blocked it; they held it up and they must take the responsibility so far for having held it up. Had it passed, equipment orders would have been under way almost a month ago. Not only equipment orders but a good deal of other work for which provision was made in the bill could have been proceeded with. None of the work could get under way however until the measure passed. My hon. friend now talks as though the Minister of Public Works could have gone ahead with something which had not passed this chamber. I say the Minister of Public Works has no right to spend money or to call for tenders until this house has authorized the expenditure. The money was not passed because hon. members opposite blocked the bill. The hon. member for South Perth (Mr. Sanderson) helped to block it; he talked as much as anybody else. He gets up and talks a great deal about railway shops; he talks about the work which would have beeen given to the railway shops in Stratford. He held up the work which would have gone to those railway shops in Stratford.

Mr. SANDERSON: That is not correct.

Mr. MANION: The hon. member who has just taken his seat held up the work which would have been given to his own railway shops, and he did that by blocking the bill. That was the policy adopted by the opposition when it proceeded to block the bill, and they are blocking it just as much right now. The bill has not passed, and until it does none of the money can be spent. Until the bill passes I say the opposition must take the responsibility for delaying the work and failing to relieve unemployment.

Mr. LAPOINTE: Just one word: If there is one gentleman who is blocking this measure, it is the gentleman who is abusing hon. members on this side because they ask for information.

Mr. SANDERSON: I must take issue with the Minister of Railways and Canals when he states that other hon. members and myself have blocked the vote for the equipment. I say that statement is untrue. It is only bluff on the part of the Minister of Railways. Of course the Minister of Railways is very genial, very nice and very fine, but he is the biggest bluffer we have ever had in this House of Commons.

Some hon. MEMBERS: Order.

Mr. SANDERSON: I wish to say this to the minister: He states that the Liberal party—

An hon. MEMBER: You are a bluffer.

Mr. SANDERSON: Get up on your feet; I will take care of you a little later on. I want to ask the Minister of Railways and Canals one question. He states that on April 16 or April 17 the Liberal party blocked the vote for railway equipment. I would remind him of something which he must

know very well, namely that from January 17, the first day this house met, I proceeded to ask him questions concerning railway equipment. Following that date I repeated my question on four occasions, and he replied that he did not know anything about it. He said the matter had never been considered.

Mr. MANION: I did not say any such thing. I said the very reverse of what the hon. member has just credited me with saying. As a matter of fact I said it was being considered. Of course, that is about as close to being correct as the hon. member ever gets.

Mr. SANDERSON: The minister may have said that it was being considered on the fifth occasion I asked him the question, but on the four preceding occasions he said it was not being considered.

Mr. MANION: I did not say that on any occasion.

Mr. SANDERSON: To-night the minister states that because I brought the matter up I blocked the vote for equipment, and that consequently the railway men have not received work. That is untrue; it is absolutely untrue. If my remarks are unparliamentary the chairman may call me to order, but I do not propose to let the minister get away with a bluff of that kind.

Mr. MANION: There is no bluff in anything I have said; it is merely a question of fact. Because the hon. member gets up and states that something I have said is untrue it does not necessarily follow that my statement has been untrue. The reason the hon. member is so hurt is that it is true. He is beginning to get worried about the railway shops in Stratford.

Mr. SANDERSON: The responsibility is with the minister.

Mr. MANION: He is probably getting a good deal of riding from his own railway men because he blocked the bill and prevented men from getting work. He is just about as useful to the men up there in the railway shops as he is in connection with other matters in this house.

Mr. LAPOINTE: That is very polite on your part.

Mr. MANION: What is the matter with the hon. member?

Mr. LAPOINTE: That is very polite.

Mr. MANION: I do not need any lessons in politeness from the big member from Quebec East.

[Mr. Sanderson.]

Mr. LAPOINTE: You are the most impolite member in the house.

Mr. MANION: The race from which the hon. member for Quebec East comes is usually very polite; he is the exception.

Mr. LAPOINTE: That is why I am a good judge of politeness.

Mr. MANION: We brought in a bill having in mind the intention of relieving unemployment. Hon. members opposite held it up for three days before the house adjourned. They held it up, blocked it, kept it from going through. Since then we have had two days' debate. They spent all day yesterday and most of to-day talking about a tunnel for the city of Toronto, and yet we hear the hon. member for South Perth saying that they are not blocking it. They are certainly holding it up. If the bill goes through, the work goes on. Until the bill is passed the work cannot be begun; no part of it can be done. I do not understand how any hon. member opposite could stand up and say the opposition is not holding up the work when as a matter of fact they are holding up the bill. That is a statement of fact. Until the bill is passed no work arising from it can be done. So long as hon. members opposite continue to obstruct, the work cannot possibly go on.

Mr. SANDERSON: I want to remind the minister that on January 22, 1935, on the orders of the day, I put this question to the Minister of Railways:

Mr. F. B. Sanderson (South Perth): Mr. Speaker, I should like to ask a question of the Minister of Railways (Mr. Manion) based on a telegram I received this morning from the city of Stratford. It is as follows.

I shall not read the telegram, which is in regard to new equipment for the Canadian National Railways, but here is the answer of the Minister of Railways:

Hon. R. J. Manion (Minister of Railways and Canals): Well, Mr. Speaker, I do not think there is any answer coming to the hon. gentleman. The government, if it makes a decision on this question, will submit it to the house at the proper time.

Mr. MANION: That is correct.

Mr. SANDERSON: Yes, and they left that proper time until the day before the adjournment. I want to say this to the minister, and I say it with all respect, and I know what I am talking about. He says that I am getting a good deal of criticism from the railway men in the city of Stratford. No, I am not. But if there ever was a public man criticized in the city of Stratford by the employees of the railway it is the Minister of Railways, and I

would not want to repeat that criticism; I could not because it would not be parliamentary.

Mr. DUFF: Mr. Chairman, it is very amusing to hear the Minister of Railways (Mr Manion) endeavouring to blame the Liberal party for holding up this vote. If my memory serves me, this bill came into the house on April 16, one day before the long adjournment. This bill is to appropriate $33,000,000, and if any man is responsible more than anybody else for this bill not having already gone through the house it is the Minister of Railways. The Minister of Finance (Mr. Rhodes), when the item for the Toronto tunnel came up, realized that the Minister of Railways had so conducted himself in this parliament at that time that he felt it his duty to ask that this committee rise and report progress on the evening of April 17. If the Minister of Railways had sat in his seat and allowed us to discuss the tunnel for ten or fifteen minutes I think perhaps that item would have gone through, and perhaps even the whole bill. It was not the Liberal party that asked that the committee rise and report progress and go home for five weeks just for the convenience of the government. There are men on the other side of the house who did not want the five weeks' adjournment, and it was taken because the government was in extremis. They did not know what they wanted. They had no legislation to bring into the house, and they put the taxpayers of this country into the position of standing the cost of this five weeks' adjournment and the millions and millions of dollars that will be lost through the uncertainty that prevails with regard to the policies of this government through having a five weeks' adjournment when we should have had an election. If any particular person is to blame more than anybody else it is the Minister of Railways. We were willing to sit here on and after April 17 and finish the business of this parliament and prorogue, but the government for some reason or other—I do not want to bring into the discussion anybody who is not now present in the house—those leading the government and my hon. friend the Minister of Railways were compelled to ask this house to adjourn from April 17 to May 20; so how can the Minister of Railways now get up and dare to throw the blame on the Liberal party for holding up this legislation? My hon. friend the Minister of Trade and Commerce (Mr. Hanson) laughs. He should be the last one in this house to laugh, because he, a member of the privy council, has taken three different views in three days on the Santo Domingo question. He deliberately got up in this house and on three different days made three different statements on this subject, as Hansard will show. So he should not laugh.

I say, Mr. Chairman, that if anybody is to blame because this legislation has not gone through it is not the Liberal opposition. All we wanted was to discuss it fairly and reasonably, and the blame lies at the door of the government because they had no legislation ready, and for reasons of their own, which I need not mention, they compelled this house through their majority on the other side, and against the personal wishes of most members on the government side, to adjourn from April 17 until May 20. So I say the Minister of Railways has no right to accuse the Liberal party of holding up this vote.

Now the Minister of Railways gets up tonight and comes to the defence of the Minister of Public Works, and he talks about the moneys which were voted in 1930. I remember the attitude of the Minister of Railways at that time, when he was a member of the opposition. Did he and his colleagues allow bills to go through or votes to pass without proper discussion? No. He does not seem to realize that here we have a blanket vote of $2,500,000 for harbours and rivers generally. The Minister of Public Works last year came to this house and asked for an appropriation of $40,000,000 and in that appropriation of $40,000,000 there was a vote of $2,500,000 for harbours and rivers generally. To show you, Mr. Chairman, that the Minister of Railways should content himself with being the messenger boy between the House of Commons and the railway headquarters' office at Montreal, instead of butting into the Public Works department, may I point out that in addition to that vote of $2,500,000 for harbours and rivers generally in the special bill of last year appropriating $40,000,000, we are now asked to vote another $2,500,000 for the same purpose, and the Minister of Public Works has not seen fit so far to tell us how that $2,500,000 from the special vote of last year has been spent. He has not given us any particulars, in spite of the fact that his department is costing this country hundreds of thousands of dollars. He has an engineering branch in every one of the nine provinces of this country, and these engineers are supposed to report to the minister and to his officials here in Ottawa, but in spite of that fact, in spite of the fact that we voted the blanket amount of $2,500,000 for harbours and rivers last year, the minister without giving us any information about that expenditure now comes and asks us to vote another $2,500,000 for harbours and rivers.

But that is only part of the story, Mr. Chairman. The Minister of Railways was very much worried about the moneys which were voted for dredging. I interrupted him, and perhaps I should have begged his pardon for doing so, but I was trying to convey to him that the amount which he mentioned for the maritimes and other provinces was for the employment of government dredges. If the minister will take the estimates for this year —and this is in addition to the $2,500,000 for harbours and rivers under the special bill of last year, and in addition to the $2,500,000 which the minister now asks us to vote in blank for harbours and rivers—he will find that this year we have passed without any criticism for harbours and rivers generally in Nova Scotia, in addition to the other votes for Nova Scotia, the sum of $250,000 for harbours and rivers generally in that province—that is for the same purpose as this $2,500,000—and $50,000 for Prince Edward Island. So last year and this we are voting for harbours and rivers generally, $5,000,000, plus $250,000 for Nova Scotia, plus $50,000 for Prince Edward Island. Surely if the Public Works department is efficient, if the engineers, whether it is the chief engineer at Ottawa or the other officials, are efficient, they should have been able to tell the Minister of Public Works before this house met in January exactly what they wanted by way of special votes during the year 1935. We had $2,500,000 in the special vote of $40,000,000 and three months ago we voted $250,000 for Nova Scotia, $50,000 for Prince Edward Island, and $100,000 for New Brunswick for harbours and rivers generally. These votes were for the same purpose for which we are being asked to-night to vote another $2,500,000. I should like to impress these figures upon the Minister of Railways and Canals. We voted $400,000 for Quebec, $200,000 for Ontario, $50,000 for Saskatchewan and Alberta and $100,000 for British Columbia. The Minister of Public Works, the deputy minister, the chief engineer, the secretary and the engineers in every province of this dominion were not satisfied; they thought that that was not enough and they put in another $25,000, making a total of $1,400,000. That is the amount voted three months ago to look after our harbours and rivers generally, yet the Minister of Railways and Canals now comes along and says we are blocking this bill. We voted $2,500,000 last year in the special vote of $40,000,000, and the minister has not seen fit to account for this expenditure. Three months ago we voted $1,400,000 in the general estimates, and because we have, according to the Minister of Railways, the audacity and temerity respectfully to request the Minister of Public Works to account for this $2,500,000, the Minister of Railways and Canals gets up and says that we are blocking this bill and the money cannot be spent. Does the minister know that out of the $40,000,000 voted last year the government spent only $10,000,000? He can go and buy railway equipment if he wants to under peace, order and good government. Two years ago he ordered 50,000 tons of steel rails and they have not been used yet.

Mr. HANSON (York-Sunbury): Oh, yes, they have.

Mr. DUFF: Where?

Mr. MacDONALD (Cape-Breton): They have all been taken out.

Mr. DUFF: I know they have been taken from Sydney, but I am saying that they have not been used on the railroad.

Mr. HANSON (York-Sunbury): They have been used all over the system.

Mr. DUFF: Where were they used?

Mr. MacDONALD (Cape Breton): On the Canadian National Railways.

Mr. DUFF: When these 50,000 tons of rails were ordered I stated that they were not necessary, and that was a fact. The minister should be the last person to complain because we are criticizing this vote for $2,500,000 because this bill provides for the expenditure of $8,000,000 for the Canadian National Railways.

Mr. MacDONALD (Cape Breton): I know my hon. friend wants to be fair. Of the 50,000 ton rail order nearly 40,000 tons have delivered and are now being laid on the lines of the Canadian National Railways west of Nova Scotia and New Brunswick.

Mr. DUFF: Part of those rails came from Sault Ste. Marie.

Mr. MacDONALD (Cape Breton): There were two orders.

Mr. DUFF: That makes it all the worse. There have been practically none of that 50,000-ton order used. The order was given simply to create employment in the steel mills of Sydney and Sault Ste. Marie. I do not blame the government for that; I simply say that the Minister of Railways should not get up and criticize us when we ask for information in connection with expenditures. We passed an order for 50,000 tons of rails which were not required at the moment. If the Liberal party was in power there would be

sufficient business to make these rails necessary. The Intercolonial and Canadian National railways would both be busy but at present because of the policies of the Tory government these railways have practically no traffic. What my hon. friend should do is to run as a Liberal candidate in the next elections.

Mr. MacDONALD (Cape Breton): That is a compliment.

Mr. DUFF: My hon. friend is a decent fellow and I have no objection to him personally, outside of his adhering to the wrong party. I do not see why he should associate as a party man with the hon. member for York-Sunbury, the Minister of Trade and Commerce (Mr. Hanson).

The Minister of Railways has asserted that the Liberal party is holding up this legislation. Let me say to him that the people of this country know exactly who is holding up this and other legislation. If the minister has that red blooded Canadianism of which he has boasted so often let him go to-morrow to his leader and say, "Let us go to the country. The Liberal party is holding up this legislation for $33,000,000; they do not want to vote $8,000,000 for Canadian National railway shops and they do not want to vote $7,000,000 for Canadian Pacific railway shops. They do not want to vote $2,500,000 for harbours and rivers generally and they do not want to vote $4,000,000 for public works and repairs to public works. Let us dissolve parliament and go to the country and let the people decide whether the Liberal party are to blame for holding up this legislation." We are ready to call my hon. friends' bluff. The people of this country will decide who is to rule Canada for the next four or five years. We believe in trusting the people. They realize that this government has fallen down on the job. The people know that because of the policies of the present government trade in Canada is stagnant, making it necessary to vote $1,000,000 to build a tunnel in Toronto in order to provide employment. Is it any wonder that we have to vote $40,000,000 in order—God save the mark—to provide work for the people? Is it any wonder that there is no work for the Canadian National or Canadian Pacific shops? There is not sufficient business in the country because of the policies of this government; longshoremen, railway employees, labourers, wharfingers and everyone else are out of employment. Let the Minister of Railways go to the Prime Minister (Mr. Bennett) while he is in fairly good health and have him call an election on June 26. The people of this country will then show the members of this government that they are not willing that the Minister of Public Works should sit in his seat and ask us to vote $2,250,000 for rivers and harbours generally without any explanation when we have already voted $1,400,000 for that purpose this year, and $2,500,000 last year.

Mr. MANION: You boasted just as hard in 1930 as you are boasting now.

Mr. DUFF: As usual my hon. friend is wrong. We did not boast in 1930; it was my hon. friend who boasted; that is the time he talked about red blooded Canadianism.

Mr. MANION: It got us in power.

Mr. DUFF: Yes, but you are going out quicker than you came in. All I ask my hon. friend to do is to call an election immediately. We are willing to be guided by the desires of the people of this country. My hon. friends are afraid to trust the people; they are hanging on until the last minute. They were elected in 1930 and they held a special session in September of that year in order to satisfy their big interest friends by raising the duty on a lot of items by almost 100 per cent.

Mr. SPENCE: We did something else.

Mr. DUFF: What did you do? Tell me one thing you did.

Mr. MACDOUGALL: We voted $20,000,000.

Mr. DUFF: The hon. member for Inverness (Mr. Macdougall) says they voted $20,000,000, but let me say that was the greatest mistake the Tory government ever made. They put the people on the dole.

Mr. SPENCE: You put them out of work.

Mr. DUFF: That is exactly what you did. They were put on the dole by the Tory party in spite of the fact that the Prime Minister went all over the country in the election and said, "King promises you conferences but I promise you work." The statement was made that in three days they would stop unemployment, and my hon. friend was at the meeting and applauded that with all his might. What is the position in Toronto to-day? After four years what have my hon. friends opposite done? Are there more people unemployed to-day in Toronto or less than there were in 1930? Five times as many. What influence has the hon. member for Parkdale (Mr. Spence) had on this government? None. He has done nothing to help to relieve unemployment. We are still paying the dole—why? Because, owing to the policies of this govern-

ment, the business of the country has been restricted. Over two months ago I called the attention of the Minister of Trade and Commerce to the fact that the fishermen of New Brunswick, Nova Scotia and Prince Edward Island had received, through the tariff duties of Santo Domingo, a slap in the face so that no business could be done with that country. What did the minister say yesterday in answer to my question? What does he say to-day? Did this government try to get business for the country? No; they do not want business; they are inside their shell and they do not know what it is all about. I say, let us go to the country and have the people decide whether they are satisfied with the policies which this government has carried out. Let the people decide whether they want to return to this parliament the member for Parkdale or the member for York-Sunbury. But the government have kept on for five years until the eleventh month and the eleventh day and the eleventh hour and the fifty-ninth minute. It is all right for the hon. member for Fort William to go about boasting about what the government has not done, but let him go to cabinet council to-morrow and say, "Mr. Bennett, we want an election; let the people decide who is to govern the country." No; they want to hang on to the last minute. They know that when the time comes and the people have a chance to vote, this government will be swept out of power. The Minister of Public Works sits there with all the reports from the different provinces—engineers' reports, and God knows they cost enough money. The engineers were told last November to go over the different districts and report to the minister, to the deputy minister, to the secretary and to all the officials as to what was required for this year.

Mr. POWER: There are reports also from the members as to where they need work for votes.

Mr. DUFF: Yes, Conservative members, and he does not even tell us about those. If he were fair to the people's representatives, if he would tell us something about the reports he has received either from the members or from the engineers, there would be something to go on. But the Minister of Public Works, in spite of the fact that we voted $2,500,000 for these harbours and rivers generally last year, cannot tell us what was done with that money. He cannot tell us what the department will do with the $1,140,000.

Mr. STEWART (Leeds): I know that my hon. friend does not wish to have an inaccurate statement go on the record. I have told the house what has been done in every province with this $2,500,000. I gave the commitments by provinces and showed the amount unencumbered, and it has been practically all spent. I gave the particulars.

Mr. POWER: Of this vote?

Mr. STEWART (Leeds): He says I have not given an account of the $2,500,000 of last year.

Mr. DUFF: The minister made a general statement, but we are not going to accept general statements from the Minister of Public Works or any other minister. The taxpayers demand that we be given specific statements.

Mr. STEWART (Leeds): The Minister of Finance laid on the table a most complete and detailed statement covering the bulk of these expenditures.

Mr. CASGRAIN: Last year's.

Mr. STEWART (Leeds): How could we spend this year's vote before we have received it?

Mr. DUFF: I am not interested in what the Minister of Finance has done; in fact the Minister of Finance has made a splendid budget statement under the deplorable circumstances. But the Minister of Public Works is directly responsible for the expenditure in his department and I am asking him, not the Minister of Finance, who does not happen to be here. It is not fair for the Minister of Public Works to throw this on the Minister of Finance. The Minister of Finance is from Nova Scotia and I will not allow the Minister of Public Works to throw anything on him. I am asking the hon. gentleman how this $2,500,000 voted last year was spent. In addition to that $2,500,000 blanket vote, which was in the $40,000,000 last year, we voted a number of other items. Let me tell you what they were. Will somebody please get a pencil and add them up; I am busy. I can understand my hon. friend from North Huron (Mr. Spotton) laughing; he is a jolly soul and appreciates what I am saying, and if there were a secret ballot taken in the house he would vote with me. In addition to the $2,500,000 under this blanket vote of $40,000,000 you will find that we voted for harbours and rivers generally, in 1934, in addition to 1935, for Nova Scotia, $50,000; for New Brunswick, $75,000; for Quebec, $300,000; for Ontario, $100,000; for Manitoba $40,000; for Saskatchewan and Alberta, $10,000; for British Columbia, $75,000. We voted nearly $1,000,000 in the last session of

1934. We voted another $2,500,000 and we voted $1,140,000 two months ago for harbours and rivers generally. And now we are asked to vote another $2,500,000. These are very large amounts, and the ordinary taxpayer is wondering what this government is doing with all this money. And the end is not yet. That is only part of the expenditure which the Minister of Public Works is trying to put over.

Now let me take your memory back to the year 1929-30, when the present Minister of Public Works was a humble member of the opposition and when, for instance, the Post Office vote was under consideration. Perhaps virtue has received its reward or otherwise, but you will remember that in 1929-30 the Minister of Public Works kept this house for three weeks, associated of course with my hon. friend from Fort William and some other hon. members—my hon. friend from Digby-Annapolis (Mr. Short), who I hope is going to the Senate soon. I wish to God I were going there myself. But those hon. gentlemen helped the present Minister of Public Works to hold up the Post Office estimates in 1929 and 1930. We did not then hear the present Minister of Railways in stentorian red blooded Canadian tones talk about the Liberal party or any party holding up a vote. That was all right in 1929 and 1930 when the present Minister of Railways tried to make capital against the Liberal party at that time; but a similar situation is a terrible one now. It does not make any difference whether we spend $30,000,000 or $70,000,000, the joke is that the situation is like that of a man who is bankrupt, because that is what this government is. It has almost brought the country to bankruptcy and it does not care how much it spends—

Mr. CASGRAIN: Drunken sailors.

Mr. DUFF: No, it is not like a drunken sailor. A drunken sailor wakes up the next morning with a headache, but the government does not know whether it has a headache or not. The present government will not have to deal with the situation; it is the Liberal party that will be elected in July or September or whenever the time comes. When we came into power in 1921 we had almost the same static condition we have now, and when this party came in, what did they do?

Mr. SPENCE: They made things worse.

Mr. DUFF: Worse for Toronto, because ten or fifteen Tories were elected in Toronto, and that is the reason why we are voting against Toronto to-day, because of a Tory Toronto. We are for Canada. My hon. friend talks about what we did. I say that when we were in power and the present government were in opposition in 1930, the latter blocked every estimate, and the Tory members from Toronto were the ringleaders. They criticized the government of that day, and we have a perfect right to criticize the government of this day when they want to spend money and when they cannot explain to us what they are going to spend it for. Before this estimate goes through, the Minister of Public Works should tell us what he is going to do with most of the money. I understand that he can have a few hundred thousand dollars for extraordinary repairs, but he should tell the committee exactly what he is going to do with most of the money before he asks us to vote it.

Mr. LAPOINTE: I desire to read to the Minister of Public Works just a word or two of his on April 16 when this bill was before the house. As reported on page 2812 of Hansard, he had this to say:

> Mr. Stewart (Leeds): My hon. friend complains about information not being given. In the estimates of the department for years no details are given—just specific amounts. If hon. members desire information in regard to these items it will be cheerfully given, but we ask to have an opportunity of giving it before we are condemned for not giving it.

Further on he said:

> Mr. Stewart (Leeds): With regard to any of these items upon which information is desired I can only say that so far as they come under the control of the Department of Public Works we are prepared to give information.

And further on, on the same page, he said:

> We are prepared to give all the information that the committee desires, and as much as we give in connection with the regular estimates when they are submitted to the house.

That is only what we are asking my hon. friend to do to-night, and I submit very respectfully even to the Minister of Railways that we deserve no abuse for doing that.

Mr. STEWART (Leeds): In view of the progress we have made, I move that the committee rise, report progress and ask leave to sit again.

Progress reported.

At eleven o'clock the house adjourned without question put, pursuant to standing order.

Wednesday, May 22, 1935

The house met at three o'clock.

MARINE AND FISHERIES

Mr. W. G. ERNST (Queens-Lunenburg) presented the third and fourth reports of the select standing committee on marine and fisheries as follows:

Third Report

Your committee has had under consideration Bill No. 17, an Act to amend the Fisheries Act, 1932. Representations in the form of briefs have been submitted by the different interests concerned in the legislation contemplated, and a statement of the policy of the department has been made to the committee on the matter. After consideration, your committee is of the opinion that the public interest, as a whole, would not best be served by the passing of the proposed legislation.

Your committee, therefore, has agreed to report, on division, that the necessity for the amendment to the Fisheries Act, 1932, as contained in Bill No. 17, has not been proven to the satisfaction of your committee and should not be passed.

Fourth Report

Your committee has had under consideration the following resolution, referred to your committee by the house on Wednesday, February 6th:—

"That, in the opinion of this house, in the interests of the fishermen of Nova Scotia, no permits should be granted on renewed with those who own and operate beam trawlers in the province of Nova Scotia."

Your committee has agreed to report that, whereas the royal commission on price spreads and mass buying has investigated the subject matter of the said resolution and made a report thereon, which may be the subject of discussion and consideration by parliament, your committee is of the opinion that no useful purpose would be served by further investigation of the said matter by your committee at the present session of parliament.

PRIVATE BILLS

REFERENCE TO COMMITTEE ON STANDING ORDERS

Mr. R. S. WHITE (Mount Royal) moved:

That the petition of Lona Marie Vaughan Gravina of Montreal, Quebec, praying for a bill of divorce from Piero Franco Gravina, of Montreal, Quebec, together with the report of the clerk of petitions thereon, be referred to the standing committee on standing orders for the purpose of considering the suspension of standing orders 92 and 93 (3) (a) and (c) in relation thereto.

Motion agreed to.

SISTERS OF CHARITY, OTTAWA

Mr. ONESIME GAGNON (Dorchester) moved:

That the petition of the Community General Hospital, Alms House and Seminary of Learning of the Sisters of Charity at Ottawa, praying for the passing of an act to increase the limitation of the value of property they are

[Mr. H. A. Stewart.]

allowed to hold, together with the report of the clerk of petitions thereon, be referred to the standing committee on standing orders for the purpose of considering the suspension of standing orders 92 and 93 (3) (a) and (c) in relation thereto.

Some hon. MEMBERS: Carried.

Mr. JEAN FRANCOIS POULIOT (Témiscouata): No. I strenuously object to this motion, and I shall tell the house why. We are here to enact legislation of interest to the country. We are not to be bothered or disturbed by private legislation. Since confederation it has been the tradition that divorce bills must come before this house. I do not see why private legislation concerning private property should come before us. That is a matter entirely provincial in character and which should be dealt with by the provincial government of the province of Ontario, if in fact, the property is in that province.

Sir, we are wasting most precious time over private legislation. In the province of Quebec there have been enactments to change the names of Jews to Gordon or Dunning, and in that way to make Scotchmen out of them. We are not to stand for that kind of legislation in this chamber. Last year we had some legislation incorporating a Stavisky Loan Society, in which a man named Cutten was interested, and who was praised by members of the cabinet. We have no time to waste on such private legislation. Whomever it may come from must be served with that notice. We have too much important public legislation to consider to waste our time on private legislation. That is not a threat. It is a notice to interested parties and to those who are asking for such legislation. We have reassembled after an adjournment of five weeks, not to deal with private legislation, but to get on with the public business, and I strongly object to this motion and make this formal protest, which I shall have other occasions to repeat.

Mr. GAGNON: Mr. Speaker, with the permission of the house, may I be allowed to say a word?

Mr. SPEAKER: As the question is not debatable I should have stopped the hon. member a little sooner. Shall the motion carry?

Motion agreed to, on division.

UNEMPLOYMENT RELIEF CAMPS

MOTION TO ADJOURN THE HOUSE TO DISCUSS THE SITUATION IN VANCOUVER

Mr. ANGUS MacINNIS (Vancouver South): Mr. Speaker, I ask leave under

standing order 31 to move the adjournment of the house to discuss a definite matter of urgent public importance, namely, to call the attention of the house and the government to the acute situation in the city of Vancouver, British Columbia, due to the presence in that city of a large number of men from the unemployment relief camps who are destitute and for whom the city authorities can make no provision, creating a situation which endangers the peace.

Right Hon. R. B. BENNETT (Prime Minister): Mr. Speaker, I submit that the motion is out of order having regard to the terms of the standing order to which reference has been made. The hon. gentleman has just sent me a copy of his proposal. In looking at standing order 31, I think it is quite clear that a motion under this standing order must relate to a matter that is of recent occurrence and must not revive discussion on a matter that has been discussed. May I observe first that this is not a matter of recent occurrence.

Secondly, may I point out that the hon. gentleman suggests that it creates a situation which endangers the peace. That is a matter over which this parliament has not control. As I pointed out yesterday, it is a matter solely within the jurisdiction of the province and of the municipality which is created by the province.

Lastly, if there is any grievance which the hon. gentleman has, he has adequate opportunity for the airing of those grievances at the appropriate time when the house is moved into committee of supply.

I think, therefore, Mr. Speaker, that the matter is not within the rule but comes within the exceptions.

Mr. J. S. WOODSWORTH (Winnipeg North Centre): Mr. Speaker, may I suggest that this is not a matter that has been discussed. It is quite true that there was some reference yesterday to the situation, but it was not discussed; there was simply a statement made by the Prime Minister. Further than that, the condition of the camps in British Columbia was discussed at some length six weeks or so ago before this house took an adjournment, but there have been some very decided developments within the last few weeks in British Columbia. A large number of men who had been in the camps have gone to the city of Vancouver—

Mr. SPEAKER: Will the hon. member be good enough to restrict himself to the point of order and not speak to the facts.

Mr. WOODSWORTH: Yes, Mr. Speaker. I am trying to point out that this matter has not been discussed before in the house and that it is of recent occurrence. I said that the situation is entirely different from what it was a few weeks ago, and within the last few days the situation has become very acute.

Some hon. MEMBERS: Order.

Mr. WOODSWORTH: I have had telegrams to that effect.

Mr. SPEAKER: Order. The hon. member is really discussing the motion itself. Will he confine himself to the point of order, whether this motion is in order?

Mr. WOODSWORTH: On the point of order, Mr. Speaker, I submit that this is an urgent matter. Only yesterday we heard from the Prime Minister's own lips that a large contingent of mounted police had been sent in, and if this situation continues there will be bloodshed. Surely, Mr. Speaker, when there is bloodshed threatened, when the mayor of Vancouver—

Mr. SPEAKER: I have made it quite clear to the hon. member, and I am sure he is not desirous of evading my ruling, that he must confine himself to the point of order and not speak to the facts.

Mr. WOODSWORTH: My point of order Mr. Speaker, I repeat is that the urgency of the situation brings it within the rule. Only this morning I had a wire myself from the mayor of the city of Vancouver pointing out the seriousness of the situation, and on account of this urgency I submit that the motion of my hon. friend comes well within the rule. We cannot as a house now in session refuse to discuss a matter of such urgency without taking an enormous responsibility for anything that may transpire within the next few days. I think the motion is quite clearly within the rules. It was for just such emergencies as this that the rule was designed.

Hon. ERNEST LAPOINTE (Quebec East): Mr. Speaker, on a question of this kind I submit that we are in this difficulty, that we do not yet know what the facts are and we have to be governed by what is contained in the motion moved by the hon. gentleman. In his motion he refers to the acute situation in the city of Vancouver, British Columbia, due to the presence in that city of a large number of men from the unemployment relief camps who are destitute and for whom the city authorities can make no provision, creating a situation which endangers the peace. I submit to you, Mr. Speaker, that if that is so there you have the two conditions which are

required to make this motion one which might be discussed by the house, namely, the urgency and the importance of the situation. Those are the two conditions which are required by the rule. There is certainly great urgency and there is certainly considerable importance in the matter which is mentioned in the motion. I would refer Your Honour to section 249 of Beauchesne's Parliamentary Rules and Forms, which says:

> In doubtful cases, the question of urgency and of importance are left for the house to decide by giving or withholding its support.

I submit that this is a question as to which this house should decide whether it is urgent and important, in the language of the rule.

Hon. HUGH GUTHRIE (Minister of Justice): Mr. Speaker, there are just one or two matters I would like to point out in regard to this motion. The motion recites that there is an acute situation in the city of Vancouver due to the presence in that city of a large number of men from the unemployment relief camps who are destitute and for whom the city authorities can make no provision. That is the first point. Secondly, the motion says that that creates a situation which endangers the peace. Now this parliament has no control over either of these situations. Destitution in the city of Vancouver is not a matter within the jurisdiction of this parliament, and the peace and the maintenance of peace in the city of Vancouver is a matter for the city of Vancouver and the province of British Columbia.

My suggestion is that while this may be a very important question it should be presented and discussed in the parliament of the province of British Columbia rather than here.

Mr. MACKENZIE KING: I should like to ask the Minister of Justice (Mr. Guthrie) if it is not a fact that the present administration has taken to itself special powers to deal in these times with peace, order and good government?

Mr. BENNETT: That is another thing altogether.

Mr. MacINNIS: Mr. Speaker, whether or not this motion is in order depends upon two or three points. First of all, it must be a specific matter and of recent occurrence. Second, it must be of such urgency that it would require to be dealt with immediately. I contend that this is a specific matter and of recent occurrence, it having developed within the last day or two. I contend also that it is of such importance that the government should deal with it at this particular time. The government may take the position that the maintaining of order is a matter for the city of Vancouver and the province of British Columbia but the government has been asked for assistance in maintaining order and to that extent the government enters into the question. If further disturbances occur the government will be asked for further assistance and consequently this matter very definitely concerns the government. Outside of the broad implications of the whole question I believe that for these reasons the matter should be discussed in the house.

Mr. SPEAKER: Before ruling on this matter I should like to thank the hon. member who is responsible for this motion for having the courtesy to let me have a copy of it prior to the opening of the house, thus affording me an opportunity of giving some consideration to this important matter. I only wish that my duties were so simple that I could leave the question of urgency to be settled by the house, but unfortunately the rules place the duty upon the Speaker of deciding this matter. The question of urgency is covered by subsection (3) of standing order 31, which reads:

> He then hands a written statement of the matter proposed to be discussed to Mr. 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.

The question of urgency must for the moment be settled by me, although according to a precedent established before the recess my decision in the matter can be overruled by the house. I agree that the matter is of tremendous importance and urgency but I cannot agree with the proposer, Mr. MacInnis, that the matter dealt with has arisen within the last day or two. The gravity of the situation may have increased recently but the events referred to are not of recent origin. The events referred to in the motion first happened when the men left the relief camps some time around April 10th last. To bring this motion within standing order 31 the matter proposed to be discussed must be of recent origin. May, page 227, as quoted in paragraph 240 of Beauchesne's Parliamentary Rules and Forms has this to say:

> A motion under this standing order must be restricted to a single specific matter of recent occurrence;

I find that this motion does not come within that authority. All hon. members are aware that while this matter was not discussed formally in debate it was covered pretty fully by a statement made yesterday by the Prime Minister (Mr. Bennett). I should like to quote one or two paragraphs from that state-

ment. I refer the house to page 2922 of Hansard of May 21 where the Prime Minister is quoted as follows:

I have drafted a communication to the premier of British Columbia in which I have endeavoured to point out that if the province fails in its duty to prevent a condition of chaos and anarchy arising, if they fail in their duty to maintain law and order in the province of British Columbia, it will only be because they have not availed themselves of the opportunity of requesting the federal government to lend them such assistance as may be required for that purpose, for until that is done any action on the part of this dominion would be wholly illegal and would be a compromising of our own position with those who may themselves be violating the law.

I direct the attention of the house to the last part of that statement. The Prime Minister continues:

The differences and difficulties, whatever they may be, the federal government will be glad to consider with the provincial government, but it is a condition precedent to any such action that law and order be maintained by those who are responsible for it, and if they are unable to do so that they call upon the federal government for such assistance as will enable them to do so.

I quote those particular paragraphs because of the following which appears at page 248 of May, Thirteenth Edition:

Motions have also been ruled out of order when it appeared that the administrative responsibility of the government was not involved, or that there had not been any departure from the ordinary administration of the law.

The precedents quoted at the bottom of the same page are as follows:

Motions have been held out of order as the subject sought to be raised was within the cognizance of the parliament of Northern Ireland, 154 H.C. Deb. 5 s 1894; the Irish Free State, 152 ib. 2435; 154 ib. 529; a matter for the local police, 126 ib. 261; a labour dispute in which the government was under no obligation to intervene, 162 ib. 33; 166 ib. 450.

The maintenance of law and order is admittedly a matter for the provincial and municipal authorities. The subject matter of this motion is therefore, in my opinion, provincial, not federal, and the motion is on the authority just referred to, not in order. I should have pointed out previously that the statement of the Prime Minister already referred to makes it quite clear that the government has been aware for some time of the matters referred to in the motion. For some weeks past the federal officials have been kept advised of the state of local affairs by the Mayor of Vancouver and the Premier of British Columbia. These are further facts which induce me to rule that this motion does not come within the authority first quoted. I am also of the opinion that the matter is one of departmental administration and not one for legislative action by this parliament. For these various reasons and above authorities I am therefore constrained to rule that this motion is not in order.

Mr. MacINNIS: I must appeal against Your Honour's ruling.

Mr. SPEAKER: Having decided that the motion submitted by the hon. member for Vancouver South (Mr. MacInnis) under standing order 31 is out of order, the hon. member appeals from that ruling.

The house divided on the question: shall the ruling of the chair be sustained? And the ruling was sustained on the following division:

YEAS

Messrs:

Anderson (Toronto-High Park)	McGillis
Anderson (Halton)	McGregor
Arsenault	McLure
Arthurs	Maloney
Baker	Manion
Barber	Morand
Baribeau	Mullins
Barrette	Myers
Beaubier	Peck
Belec	Perley (Qu'Appelle)
Bell (Hamilton West)	Pettit
Bell (St. John-Albert)	Pickel
Bennett	Plunkett
Bourgeois	Porteous
Bowen	Price
Boyes	Quinn
Burns	Robinson
Bury	Ryerson
Cahan	Senn
Charters	Shaver
Church	Short
Davies	Simpson (Simcoe North)
Dickie	Simpson (Algoma West)
Dorion	Smith (Victoria-Carleton)
Duff	Smith (Cumberland)
Duguay	Spence
Edwards	Sproule
Fraser (Cariboo)	Stewart (Leeds)
Gagnon	Stewart (Lethbridge)
Garland (Carleton)	Stirling
Geary	Stitt (Nelson)
Gobeil	Stitt (Selkirk)
Gott	Thompson (Lanark)
Guthrie	Tummon
Hackett	Weir (Melfort)
Harris	White (London)
Hay	White (Mount Royal)
Laflèche	Willis
Laurin	Wilson
Lawson	Wright—82.
Loucks	
MacNicol	

NAYS

Messrs:

Ahearn	Bouchard
Beaubien	Boulanger
Bertrand	Brown
Blair	Butcher

Casgrain	McKinnon
Chevrier	Mercier (Laurier-Outremont)
Coote	Mercier (St. Henri)
Deslauriers	Mills
Desrochers	Mitchell
Dubois	Motherwell
Dumaine	Mulock
Elliott	Munn
Factor	Neill
Fontaine	Parent
Fournier	Perras
Fraser (Northumberland, O.)	Reid
Garland (Bow River)	Rennie
Girouard	Rhéaume
Golding	Rinfret
Goulet	Rutherford
Gray	St-Père
Hanson (Skeena)	Sanderson
Howden	Speakman
Jacobs	Spencer
Jean	Taylor
King, Mackenzie	Totzke
Lapointe	Vallance
Luchkovich	Verville
MacInnis	Weir (Macdonald)
Macphail, Miss	Woodsworth
McKenzie (Assiniboia)	Young—62.

PAIRS

(The list of pairs is furnished by the chief whips.)

Messrs:

Bell (St. Antoine)	Raymond
Beynon	Euler
Cantley	Cardin
Casselman	Howard
Cotnam	Hurtubise
Cowan	Ilsley
Dupré	Ferland
Embury	Bothwell
Ernst	Bradette
Esling	Hanbury
Fortin	Fafard
Ganong	Michaud
Gordon	Fiset
Hanson	Veniot
Johnstone	Donnelly
Jones	MacLean
Kennedy (Winnipeg)	McIntosh
Larue	Thauvette
MacDonald (Cape Breton)	Urquhart
MacMillan (Saskatoon)	Mackenzie (Vancouver)
McDade	Dupuis
McGibbon	Power
Matthews	Moore (Ontario)
Moore (Châteauguay-Huntingdon)	Dubuc
Perley, Sir George	Marcil
Rhodes	Ralston
Ross	Roberge
Rowe	Lacroix
Sauvé	Séguin
Smoke	Pouliot
Spotton	MacMillan (Mackenzie)
Stanley	Heaps
Stevens	Malcolm
Stinson	Hall
Sutherland	Gardiner
Sullivan	Brasset
Tétreault	Boucher

[Mr. Speaker.]

Turnbull	McPhee
Weese	Campbell
Chaplin	Lucas
Duranleau	Irvine
Murphy	Stewart (Edmonton)

Mr. RALSTON: I was paired with the Minister of Finance (Mr. Rhodes). Had I voted I would have voted against the Speaker's ruling.

Mr. McPHEE: I was paired with the hon. member for Regina (Mr. Turnbull). Had I voted, I would have voted against the Speaker's ruling and to sustain the motion moved by the hon. member for Vancouver South (Mr. MacInnis).

Mr. GARDINER: I was paired with the hon. member for North Oxford (Mr. Sutherland). Had I voted, I would have voted against the Speaker's ruling.

Mr. ERNST: I was paired with the hon member for North Timiskaming (Mr. Bradette). Had I voted, I would have voted to sustain the Speaker's ruling.

Mr. ROWE: I was paired with the hon. member for Beauce (Mr. Lacroix). Had I voted, I would have voted to sustain the Speaker's ruling.

Mr. LUCAS: I was paired with the hon. member for Lincoln (Mr. Chaplin). Had I voted, I would have voted against the Speaker's ruling.

Mr. MacDONALD (Cape Breton): I was paired with the hon. member for Colchester (Mr. Urquhart). Had I voted, I would have voted to sustain the Speaker's ruling.

Mr. IRVINE: I was paired with the Minister of Marine (Mr. Duranleau). Had I voted, I would have voted against the Speaker's ruling.

Mr. HEAPS: I was paired with the hon. member for East Calgary (Mr. Stanley). Had I voted, I would have voted against the Speaker's ruling.

Mr. CAMPBELL: I was paired with the hon. member for Prince Edward-Lennox (Mr. Weese). Had I voted, I would have voted against the Speaker's ruling.

Mr. McINTOSH: I was paired with the hon. member for Winnipeg South Centre (Mr. Kennedy). Had I voted, I would have voted against the Speaker's ruling.

Mr. MacLEAN: I was paired with the hon. member for Royal (Mr. Jones). Had I voted, I would have voted against the Speaker's ruling.

Mr. SMOKE: I was paired with the hon. member for Témiscouata (Mr. Pouliot). Had I voted, I would have voted to sustain the Speaker's ruling.

Mr. STINSON: I was paired with the hon. member for South Bruce (Mr. Hall). Had I voted, I would have voted to sustain the Speaker's ruling.

Mr. CASSELMAN: I was paired with the hon. member for Sherbrooke (Mr. Howard). Had I voted, I would have voted to sustain the Speaker's ruling.

Mr. CANTLEY: I was paired with the hon. member for Richelieu (Mr. Cardin). Had I voted, I would have voted to sustain the Speaker's ruling.

Mr. SPOTTON: I was paired with the hon. member for Mackenzie (Mr. MacMillan). Had I voted, I would have voted to sustain the Speaker's ruling.

Mr. SAUVE (Translation): I was paired with the hon. member for L'Assomption-Montcalm (Mr. Seguin). Had I voted, I would have voted to sustain the Speaker's ruling.

Mr. DUPRE (Translation): Mr. Speaker, had I not been paired with the hon. member for Joliette (Mr. Ferland), I would have voted to sustain the ruling of the chair.

Mr. FAFARD (Translation): I was paired with the hon. member for Levis (Mr. Fortin). Had I voted, I would have voted against the Speaker's ruling.

Mr. DUPUIS (Translation): I was paired with the hon. member for Northumberland (Mr. McDade). Had I voted, I would have voted against the Speaker's ruling.

Mr. HURTUBISE (Translation): I was paired with the hon. member for North Renfrew (Mr. Cotnam). Had I voted, I would have voted against the Speaker's ruling.

BANK ACT AMENDMENT

Mr. G. G. COOTE (Macleod) moved for leave to introduce Bill No. 69, to amend the Bank Act.

Some hon. MEMBERS: Explain.

Mr. COOTE: The purpose of this bill is to strike out from the Bank Act section 138 which provides that any person except a bank to which the act applies, who issues any instrument intended to circulate as money, or to be used as a substitute for money, shall be liable to a fine of $400.

Motion agreed to and bill read the first time.

92582—189½

QUESTIONS

(Questions answered orally are indicated by an asterisk).

DISALLOWANCE OF PROVINCIAL LEGISLATION

Mr. COWAN:

1. Has the governor in council exercised the right of disallowance of acts of a provincial legislature as set out in sections 55, 56 and 90, of the British North America Act?
2. What acts have been disallowed and what was the subject matter of the legislation?
3. In what provinces was such legislation passed and the date thereof?

Mr. GUTHRIE:

1. Yes.

2. Full information covering the years 1867 to 1920 is contained in two volumes entitled "Correspondence, Reports of the Minister of Justice, and Orders in Council upon the subject of Provincial Legislation," which are to be found in the parliamentary library.

Since the year 1920, the following provincial acts have beeen disallowed.

Year	Chap.	Title	Dates of approval
		Nova Scotia	
1921	177	An act to vest certain lands in Victoria county in Jane E. MacNeil.	21st October, 1922
1922	14	An act to amend chapter 81, Revised Statutes, 1900, "Of the use of roads.".	5th August, 1922
	40	An act to amend chapter 12, acts of 1918, "The Motor Vehicle Act, 1918," and acts in amendment thereof....	5th August, 1922
		Alberta	
1923	32	An act to impose a tax upon minerals.	29th April, 1924
		British Columbia	
1921	49	An act to validate and confirm certain orders in council and provisions relating to the employment of persons on crown property	31st March, 1922

3. Answered by No. 2.

FARMERS' CREDITORS ARRANGEMENT ACT

Mr. BOULANGER:

What was the total cost, by province, of the administration of the Farmers' Creditors Arrangement Act, from October 1, 1934, to April 1, 1935?

Mr. CAHAN (for Mr. Rhodes):

British Columbia	$ 12,117 04
Alberta	33,602 18
Saskatchewan	53,978 73
Manitoba	21,895 19
Ontario	58,745 07
Quebec	51,385 17
New Brunswick	5,969 36
Prince Edward Island	2,077 65
Nova Scotia	4,725 86
Head office and general	24,645 84
	$269,142 09

SOLDIER SETTLEMENT BOARD

Mr. McINTOSH:

1. How many members of the soldier settlement board staff were dismissed since July, 1930?
2. What was the average length of service the male members had spent in the service?
3. How many new male members have been taken on during that time?
4. How many of the latter are (a) returned soldiers; (b) soldier settlers?

Mr. MANION (for Mr. Gordon):

1. 131.
2. 6·2 years.
3. 18.
4. (a) 13; (b) 6.

MALBAIE, QUE., WHARF

Mr. POULIOT:

1. What are the names and addresses of persons or companies who submitted tenders for works at the Malbaie wharf, Gaspe county, in 1934?
2. What was the amount of each tender?
3. To whom was the contract awarded?

Mr. STEWART (Leeds):

1 and 2. Dumont & Damours, Enrg., Rivière du Loup Centre, $25,335.60; Ludger Lemieux Limitée, Quebec, $28,998; J. T. Langlois and A. E. Michel, Port Daniel Centre, $30,679.50; Lewis Maloney, Barachois West, $31,369.70; A. J. & Alfred Maloney, Barachois West, $36,401.31.

3. Messrs. Dumont & Damours, Enrg.

ISLAND AT ST. EUSTACHE, QUE.

Mr. POULIOT:

Who owns the island shown on plan of mouth of Rivière du Chene at St. Eustache, Quebec, on which "stones and boulders have been wheelbarrowed," as it appears on plan dated September, 1934, in reference No. 256, dated May 20, 1935?

Mr. STEWART (Leeds): No information on file.

QUESTIONS PASSED AS ORDERS FOR RETURNS

CIVIL SERVICE STATISTICS

Mr. DONNELLY:

1. In the 1935-36 estimates, has provision been made for increasing the salaries of civil servants and other employees; if so (a) how many in each department; (b) the amount in each case.
2. Since August, 1930, how many civil servants and other employees with salaries of $5,000 or more (a) have been pensioned; (b) have been replaced; (c) have been dismissed?

Please state the number in each department separately.

Mr. CAHAN: Return tabled herewith.

HIGH COMMISSIONER FOR CANADA IN LONDON

Mr. POULIOT:

Referring to the statement of the Department of Public Works contained in sessional paper No. 269, of March 20, 1935, to the effect that that department has spent $167.206.23 from August 1, 1930, to June 15, 1935, for the High Commissioner's office in London, what was the detail of such expenditure each year during that period?

Mr. STEWART (Leeds): Return tabled herewith.

Mr. POULIOT:

1. Referring to sessional paper No. 269, and the letter attached thereto from the Under-Secretary of State for External Affairs, dated March 19, 1935, to the effect that the total amount paid to the Hon. G. Howard Ferguson, High Commissioner for Canada in London, for salary, allowances and travel from the date of his appointment until the 1st February, 1935, was $164.803.78, what part of it was (a) for salary; (b) for allowances, and (c) for travel?
2. What were the said allowances granted for?

Mr. CAHAN: Return tabled herewith.

MOTIONS FOR PAPERS

SABLE RIVER, N.S., MAIL SERVICE

Mr. RALSTON:

For a copy of all contracts, letters, telegrams, and other documents in the possession of the Post Office Department, respecting the mail service between Sable River and railway station, and Sable River West and railway station, since March 31, 1934.

USE OF RADIO STATIONS IN PROVINCE OF QUEBEC

Mr. FAFARD:

For a copy of all correspondence, contracts, agreements, and other documents, exchanged

between the government (Department of Marine or the radio commission), and any group: political, economic, social, etc., associations, parties, respecting the use and rental of the radio commission's stations in the province of Quebec.

BARACHOIS, QUE., PUBLIC WORKS

Mr. BRASSET:

For a copy of paysheets in connection with all works executed by the department of public works at Barachois, Gaspe county, in 1933, 1934, and 1935; also a statement showing the prices paid at the same location during the same period for lumber and stone purchased by the department, and showing all salaries and money disbursed in connection with such works.

LITTLE CASCAPEDIA RIVER, QUE., BRIDGE

Mr. MARCIL:

For a copy of all correspondence, plans, reports and other documents, exchanged between any department of the provincial government of Quebec and the federal Department of Public Works, during the past year, in connection with the application of the government of Quebec for permission to erect a highway bridge over the Little Cascapedia river, county of Bonaventure, Quebec.

BUSINESS OF THE HOUSE

FRENCH TRANSLATION OF REPORTS OF COMMITTEES

On the orders of the day.

Hon. C. H. CAHAN (Secretary of State): In answer to an oral question yesterday by the hon. senior member for Ottawa (Mr. Chevrier) I may say that the French translation of the report of the housing committee has been printed and available for distribution at the distribution office since noon on Monday. The French translation of the report of the price spreads commission was delivered to the distribution office of the House of Commons for distribution this morning. It is now available.

VICTORIA DAY ADJOURNMENT

On the orders of the day.

Right Hon. R. B. BENNETT (Prime Minister): Having regard to the fact that the 24th of May was formerly known as Victoria day and subsequently as Arbour day, and that many people are greatly interested in keeping the day, the government think that perhaps they would best meet the views of all if we adjourn on Thursday evening until Monday, and that Friday be a holiday.

Mr. WILLIAM DUFF (Antigonish-Guysborough): I object to any such motion. We have had an adjournment for five weeks, and we certainly should carry on the business of the house without further adjournment.

[Mr. Fafard.]

Mr. POULIOT: Always holidays, holidays! I strongly protest against it. Are we not here to work?

WESTERN CANADA POULTRY POOL

On the orders of the day.

Mr. GEORGE W. McPHEE (Yorkton): The Minister of Agriculture (Mr. Weir) has presented a return in connection with the disbursement of the $50,000 given by the government to the poultry pools of Manitoba, Saskatchewan and Alberta. The part that refers to Saskatchewan amounts to ten pages, eight of which deal with sums of $5 and under, for rent of halls. No details are given as to place of residence of parties who received the larger amounts. I would ask the minister to take this as notice of the question and let us have the addresses of those who received sums over $10. There are two pages of those.

CANSO BAIT FREEZER

On the orders of the day.

Hon. GROTE STIRLING (Acting Minister of Fisheries): Yesterday the hon. member for Prince (Mr. MacLean) asked under what vote the bait freezer at Canso was being provided. It is being provided under the vote for conservation and development of deep sea fisheries. Other applications coming from groups of fishermen or other individuals, which conform to the regulations, will be considered.

Mr. WILLIAM DUFF (Antigonish-Guysborough): May I ask if the total cost of the bait freezer at Canso will be paid out of that vote?

Mr. STIRLING: Three-quarters of the total sum comes under the regulations.

PUBLIC WORKS PROGRAM

WORKS, UNDERTAKINGS AND GUARANTEE OF RAILWAY EQUIPMENT SECURITIES TO CREATE EMPLOYMENT

The house resumed from Tuesday, May 21, consideration in committee of Bill No. 63, to create employment by public works and undertakings throughout Canada and to authorize the guarantee of certain railway equipment securities—Mr. Stewart (Leeds)—Mr. Morand in the chair.

On schedule A, item 9—Harbours and rivers generally, $2,500,000.

Mr. CASGRAIN: Last night the hon. member for Quebec East (Mr. Lapointe) directed attention to statements made by the Minister of Public Works that certain information and details would be forthcoming concerning the

amounts the government wants to appropriate, $2,500,000 for public works to be undertaken under the item of harbours and rivers. Looking at page 2817 of Hansard of 16th April I find that answering a question put by my right hon. leader the Minister of Public Works (Mr. Stewart) said:

I am certainly in a position to give details on every item.

Now we are on this item of $2,500,000 which is to be allocated and spent in the various ports of Canada. It is all very well to say we might appropriate a couple of hundred thousand for Quebec and so much for Ontario and so much for other provinces.

What the people want to know, and what we as representatives of those people want to know, is how this money is to be spent, where it is to be spent, and for what purposes. It has always been the privilege of hon. members not to vote any large amounts of money without first knowing where they are to be spent. Last night the minister had the deputy minister in front of him, a man who has been in the department for twenty-two years and who is throroughly familiar with the facts. Then, he must have received help from his officials in Quebec and elsewhere in the province who would be in a position to tell him the various amounts required which would go to make up whatever portion of the $2,500,000 is to be spent in the province of Quebec.

Last night I made special reference to certain public works in which I am vitally interested. The minister told me he expected to be able to attend to some of those works, but he gave no specific indication as to which works would be undertaken. I am still hoping that something will be done. The people throughout the country want to know in what places in the province of Quebec the works are to be carried out, and what sums of money will be spent. I believe all hon. members from the Atlantic to the Pacific are keenly interested, and it is our privilege as members of this chamber to have precise information such as the minister promised to give on April 16, when the bill was under discussion. I await the answer of the minister.

Mr. STEWART (Leeds): I do not believe I could add much to the information I have already given. It is quite true, as the hon. member states, that Hansard indicates I promised to give information, and to the best of my ability I am attempting to carry out that promise. I have already indicated that this vote is to take care of necessary improvements, alterations and extensions to wharves and dredging works throughout the country. Last night I endeavoured to procure some additional information, and as a result I am in a position to say that total requests reported by our engineers are valued at $9,417,792, covering 991 different works. The following table will serve to give the details:

	Value of works	Number of works
Nova Scotia	$ 920,701	281
Prince Edward Island	304,480	44
New Brunswick	550,075	108
Quebec	3,933,600	355
Ontario	3,478,417	121
Manitoba and Saskatchewan	45,900	15
British Columbia and the Yukon	184,619	67
	$9,417,792	991

I believe it is only fair to say that in addition to these works I am receiving from members suggestions every day as to works needed in their respective constituencies. From time to time these are being referred to engineers for reports. While we have now a total of $9,417,792 there are some projects in respect of which we have no report, indicating the amount of the expenditures required. Therefore I believe it is fair to say that the requests already in and those which will come in will exceed $10,000,000. I believe every hon. member will agree that it is impossible at this time to give a complete list of the particular works which will be done, their locations and the amount of money required. I am willing to give all the information available, but I regret I cannot now say in what amounts this money will be expended. In this regard I am not taking a position different from that taken by my predecessor in respect of similar votes. I have before me Hansard for 1929, and at page 2047, dealing with harbours and rivers generally, repairs and improvements amounting to $80,000 for the province of Nova Scotia, I find the following:

Mr. Short: I should like to ask the minister on what he proposes to expend this $80,000 and in what sections of Nova Scotia?

Mr. Elliott: I can only tell the hon. member where the general vote was expended and how it was expended last year. This is to meet the ordinary maintenance charges made up of several small items, many of which can be foreseen at the present time.

Then at page 170 of Hansard for 1930 appears the item:

Nova Scotia—Harbours and rivers generally—repairs and improvements, $100,000.

And the following discussion:

Mr. Ernst: May I ask, as a matter of information only, whether this amount of $100,000 is based upon the previous estimate of the requirements, and if so, what expenditure is contemplated and in what places?

Mr. Elliott: The estimate is based upon what the engineer thinks the requirements will be in connection with works which should properly come out of the general vote.

Mr. Ernst: Are details given?

Mr. Elliott: No. We do not know, as my hon. friend will readily understand, what works will have to be done perhaps due to freshets and that sort of thing that may occur even after this vote is passed.

Mr. Ernst: It is a sort of emergency fund.

Mr. Elliott: Yes.

Mr. ELLIOTT: May I ask a question?

Mr. STEWART (Leeds): I have given information along the same lines as that which has been given in the past.

Mr. ELLIOTT: I wonder if the minister would allow me—

Mr. STEWART (Leeds): Will my hon. friend please permit me to finish, and then I shall be pleased to answer him. I believe I have given information along the same lines, and all the information available, except that we have a detailed list of the requests which, as I have said, are 991 in number and are growing daily. I do not believe it should be necessary to read the 991 of them because manifestly we cannot do all the work, and we have not yet made a selection due to the fact that the list is not complete.

Mr. CASGRAIN: When will the minister be in a position to say where the work will take place, and how the money is to be spent?

Mr. STEWART (Leeds): I do not know; it will be when a decision is made. We will be making decisions from time to time throughout the year, as has been done in the past.

Mr. CASGRAIN: I understand that at the present time there is no definite program made out for the spending of the $2,500,000.

Mr. STEWART (Leeds): That is exactly the situation which I endeavoured to convey to the committee all day yesterday, and for that reason and for that one only I am unable to give a definite and specific list.

Mr. ELLIOTT: Would the minister answer my question now? Did I understand him to say that the extract he read from Hansard was in reference to a vote similar to this?

Mr. STEWART (Leeds): The title of the vote is "harbours and rivers generally, repairs and improvements," and the amounts are $100,000 and $80,000 respectively.

Mr. ELLIOTT: Does the minister say that that is a similar vote to this?

Mr. STEWART (Leeds): Exactly, except as to the amount. The only difference is the difference between $100,000 and $2,500,000; that is all.

Mr. ELLIOTT: May I call the minister's attention to the fact that that was for repairs and improvements, but this vote is not limited in that way at all. This is for harbours and rivers generally, an entirely different thing. Does the minister suggest that this $2,500,000 is limited to repairs and improvements?

Mr. STEWART (Leeds): I would ask my hon. friend what he means by improvements? Improvements include an extension or an addition. The scope of the two votes is the very same exactly. It is repairs and improvements, and improvements to harbours and rivers may mean some new work, of course, and out of that very same vote new works have been built every year.

Mr. ELLIOTT: Then why did not the minister when he was preparing this vote say "harbours and rivers generally, repairs and improvements," as it was in the vote to which he has referred?

Mr. STEWART (Leeds): If it will give my hon. friend any comfort I will put that in now.

Mr. ELLIOTT: "If it will give my hon. friend any comfort," why does the minister expose himself to this committee the way he does? I want to call his attention to this, that what he has read as to what occurred in 1929 is quite correct, but that had no reference whatever to a vote of this kind. The vote in 1929 was limited to repairs and improvements. That is one of the reasons the minister is not making the headway he thinks he ought to be making in regard to getting these estimates through. There is a great difference between an item such as is here and the item to which he has referred, just as there is a great difference between the amounts. The minister knows perfectly well that what he was reading to this committee had no reference whatever to this kind of vote because under this vote he may go on with new works all over the country at his own sweet will, and that is the reason he is not now willing to give the information which is being asked. I say to him again what I said yesterday that it is a ridiculous situation for the Minister of Public Works on the twenty-second of May, in discussing a vote of $2,500,000 under which new works entirely, works that are not repairs or improvements or continuation of work already started, may be proceeded with wherever he likes to start harbour and river work, to say that he can give no information where such work is going to be done. He answered a question yester-

day which makes it perfectly clear that the extract he has read relating to something which occurred in 1929 has no application to this vote whatever. I am surprised at the minister endeavouring to deceive the committee in that way, because that is what he was doing. He knows just as well as he knows that he is sitting in his seat now that these are not similar votes, and if he will say that they are similar votes I will be quite content if he will say "harbours and rivers generally, repairs and improvements."

Mr. STEWART (Leeds): The suggestion of my hon. friend is accepted at once, and I will put in "repairs and improvements".

Mr. GOTT: Oh, oh.

Mr. ELLIOTT: We hear the loud laugh that speaks the vacant mind. I want that put in on the condition that repairs and improvements under this vote will be interpreted as they have been in the past. I do not propose to let the minister get away—

Mr. GOTT: With anything.

Mr. ELLIOTT: Not even the least thing.

Mr. GOTT: May I suggest to the minister that the hon. member is speaking from experience.

Mr. ELLIOTT: I do not propose to let this vote for $2,500,000 pass without a further protest. The government I understand has a majority on this committee but I intend to protest just the same if the minister proposes to do something different under repairs and improvements from what was done formerly. Under repairs and improvements formerly, the minister knows that no new work could be undertaken. He knows that no additions and no extensions or works of a different kind or an extension not contemplated originally could be undertaken. If he does not, I will refer him to the statement that was made by his leader in 1929 when the very item to which he has made reference was under consideration, and I will show him just how unreasonable and how unfair he is with this committee. First of all we were there dealing with a vote of $80,000 for repairs and improvements. And I gave the whole list at the time. I happen to have in front of me the Hansard from which the minister was reading, Hansard of 1929, pages 2047 and 2048. At page 2048 I as minister was asked this question:

Mr. Ernst: Would the minister give me a little more information in respect to the item "Harbours and rivers generally"? Is it the practice of the department that the engineers simply say: We want $80,000 this year; or do they give a number of specific instances and say: We require $1,500 here, $1,500 there and other sums elsewhere in addition to a certain amount for emergencies?

I went on to give an explanation, and I gave the whole list of items noted for expenditure and said that the amount of $80,000 was intended to include all those as well as emergencies which might arise owing to storms. That shows that it was repairs and improvements entirely to harbours and rivers, and not new work. Yesterday the Minister of Public Works was asked at page 2945 of Hansard this question:

Do I understand from the minister that part of this may be used on entirely new projects?

What was the minister's answer? His answer was: Yes. Does he say that that is consistent with the argument he has been making just now? He has been comparing this with a vote for repairs although he said yesterday that the money can be used for entirely new projects. If he is sincere in that, then why did he leave out repairs and improvements? What he really means is harbours and rivers generally, repairs and improvements, and in repairs and improvements he intends to include entirely new projects. That is the situation, and that is not fair; that is misleading the committee, and the minister I think should make some attempt to tell the house where he intends to spend part of this $2,500,000 at any rate. His statement yesterday was that he could not give us any idea where any of it was going to be spent. I asked him if he really meant that statement because I could not believe my ears when I heard him say that he had no idea at this time of the year where any of this $2,500,000 was going to be spent. Anybody that knows anything about the dredging of harbours and rivers knows that that cannot be correct. He knows that the minister must know before this time of the year where a substantial part of the money is going to be spent.

I want to deal further with the reference the minister made to the vote in 1929, and bear in mind it was not a vote for $2,500,000 but a vote for $80,000 for harbours and rivers generally, repairs and improvements. Let me show the difference between the attitude of the opposition at that time and the attitude of the opposition to-day, and the difference between the attitude of the government at that time and the attitude of the government to-day. I should like to quote from page 2049 of Hansard of that year as follows:

Mr. Ernst: Has it not been the practice in the past—this is my recollection—to vote a lump sum for dredging generally in the maritime provinces?

Mr. Elliott: Yes.

Mr. Ernst: I have just been advised by one of my colleagues that that item is in the estimates.

The hon. member was correct in making that statement. The Prime Minister (Mr. Bennett) then continues:

There is a principle involved in this which applies to many cases of a similar character. When a bulk sum estimate amounting to over ten per cent of the total estimates for any one province is granted by this house, it will be observed that it places in the hands of the minister a very substantial sum of money to be expended without regard to parliament. It will be observed that some of the items that we have voted do not exceed $1,000. Therefore any expenditure beyond $1,000 that is made out of this $80,000 vote is not being quite fair to parliament. The largest item which the minister read, if my memory serves me, was $750.

Mr. Elliott: There was one of $940.

Mr. Bennett: I did not catch that, and the next largest, I think, was for $750. I do submit that it is a violation of the general principle on which supply is based if a bulk sum estimate is passed by the house without having some idea as to what is to be expended as a maximum in any one particular instance. That is the only reason I mention it. In days gone by, when those who now sit to the right were sitting to the left of the Speaker, those who are curiously inclined may have observed from the utterances of distinguished Liberals who came from the province of Ontario how strong their criticism was with respect to bulk estimates involving the possibility of the minister making expenditures under pressure from political supporters in any particular section, and that certainly would be the case here, judging from the reports that were read, and the number of cases that were singled out for favourable treatment in the estimates and those that were left untouched in the estimates and must be dealt with out of the larger vote if they are to be dealt with at all.

The discussion then continued. At that time we were entirely limited to repairs and improvements. When the minister says he is willing to limit this to repairs and improvements I should like to know if he has changed his mind since yesterday. I asked the minister yesterday:

Do I understand from the minister that part of this may be used on entirely new projects?

And he replied, "Yes." Did he intend to get through this house a vote of $2,500,000 for repairs and improvements and then use it to construct entirely new works provided he was not asked questions? When he now says he will limit it to repairs and improvements does he mean that he will go on and construct entirely new works? Will he answer these questions?

Mr. STEWART (Leeds): Yes, without hesitation. Before dealing with the last question asked by hon. friend, let me first go back to the two votes with which he dealt, one for $80,000 in one year and another for $100,000 in the other. He states that those items are different from this $2,500,000 item in amount only. My hon. friend at that time was unable to give the committee any details with respect to an expenditure of $80,000 but he now insists upon my giving the committee the details with respect to a contemplated expenditure of $2,500,000. He had good reasons for not giving the particulars in connection with the $80,000; how does he expect me to give them in connection with the $2,500,000 when I have the same good reasons? I do not think he expects me to give them. The wording of this vote is a purely technical matter. In some cases repairs and improvements might cover new works. I am familiar with some of the files in the department and I know that under my hon. friend's administration entirely new works were constructed, and properly so, under the vote for repairs and improvements.

Mr. ELLIOTT: Can the minister give me one instance?

Mr. STEWART (Leeds): I cannot give an instance offhand, but I think my hon. friend's recollection will confirm my statement. Let us take an example. A petition comes in for the repairing of a wharf. The engineer visits the locality and finds that the wharf is in a very poor state of repair and that because of a change in conditions in that particular area the wharf would be better located a mile down the shore. In some cases it has been found that better service can be provided by such a move. The construction of that wharf would be new construction in the technical sense of the word but I submit that a fair interpretation of the term "repairs and improvements" would permit the inclusion of such a work provided it improved the facilities of a particular harbour. What difference does it make whether it is the reconstruction of a defunct structure or the construction of an entirely new work? I assure my hon. friend that my information is reliable when I say that entirely new works are constructed by the Public Works Department every year under the vote for repairs and improvements.

There is a further difference between this vote and the one referred to by my hon. friend. The votes to which he has referred were ordinary supply votes, and the rule, with which I have no quarrel, is very properly laid down that with respect to such votes there shall be as definite and as specific information furnished as is possible. I would direct the attention of my hon. friend to the

title of this bill, which is, "An act to create employment by public works." This bill is to relieve unemployment, and I think it is distinct from the ordinary supply vote. Works will be constructed where needed and where relief to unemployment can be afforded, and perhaps a little more latitude is given than would be given in connection with an item in a regular supply bill.

Mr. ELLIOTT: The committee is endeavouring to ascertain what is to be done with this $2,500,000 vote, but we do not seem to have made any headway. I should like to know why my hon. friend included an item for harbours and rivers generally when the old item of repairs and improvements would have covered this one. What was the idea of making a change? Why should the minister depart from what he said yesterday? The change was made to enable him to put in entirely new works with respect to which, during this session of the committee, he does not propose to disclose any information. That is apparently the reason; otherwise he would tell us.

Then he goes on to say that this is a public works construction act and differs from the ordinary estimates, and in that regard the Minister of Railways last night urged this contention: How can we tell until the item is passed what will be the details of the works to which it will be applied? That was the argument of the Minister of Railways last night, and he waxed warm over it in an endeavour to help out the Minister of Public Works—and he helped him out to the extent of taking up half an hour of the committee's time and putting the matter further back at the end of that time than it had been when we started. Let me read to the committee the explanation of the Minister of Railways with regard to No. 5, canals, repairs and improvements, $750,000. If he has forgotten it he will find it at page 2854. I asked this question:

> Can the minister give no more definite statement as to how this amount of $750,000 is to be allocated than what he has just given?

His answer was:

> Yes, I can give a good deal—

Good-bye; I see he is leaving.

Mr. MANION: Let me assure my hon. friend I am not going out because of fear, but I must see someone outside.

Mr. ELLIOTT: The minister said:

> Yes, I can give a good deal, but I am watching the clock rather anxiously and I do not wish to delay the bill. Let me give an example.

[Mr. H. A. Stewart.]

That was when they were pressing to get this through by six o'clock.

> We are counting on doing the work not absolutely but approximately as this is given.

As regards the Murray canal,—

I want the minister to listen carefully to this. I really thought that his department had these details about as accurately as any department in the government, but the following are the details which the Minister of Railways gave with regard to this schedule when we were discussing the matter a month ago—and the Minister of Public Works had his estimates in as good shape a month ago as the Minister of Railways had. The Minister of Railways went on to say:

> As regards the Murray canal, the estimate of my engineers is $3,750. Others are as follows:

Ontario-St. Lawrence canals	$ 31,000
Prescott elevator	170,000
Quebec canals (about)	147,000
Rideau canal	20,000
St. Peter's canal	8,000
Sault Ste. Marie canal	1,900
Trent canal	30,000
Welland canals	300,000

What is there in the minister's argument that he cannot give estimates for the items that make up the amounts in these schedules, on the ground that it is a public works construction bill? The Minister of Railways gave items a month ago showing how his $750,000 was made up. He said, quite properly, "We are counting on doing the work not absolutely but approximately." We asked the Minister of Public Works yesterday, whether, out of this $2,500,000, he could not give us some idea in regard to some of the things to be done, and he told us he could not. He will not disclose one item. That, I say, is not treating the committee fairly. He cannot convince the committee that he does not know where he will spend any of that $2,500,000. If he does not know now, though he was prepared to put this bill through a month ago, when does he think he will know?

Mr. CANTLEY: Before it is spent.

Mr. ELLIOTT: That is not quite as good an answer as my hon. friend from Pictou (Mr. Cantley) used to give when he was in opposition. The minister should give us some information. There are some of these things being prepared now. I know that the practice in the old days was such that there were certain things that could be decided upon with reasonable certainty provided the estimate went through. He must have a list of what are recommended as the more urgent ones, and I wish he would be frank with the committee and tell us what work is included in

this $2,500,000 which renders it necessary for him to conceal absolutely everything in connection with this vote. He is not doing himself justice in the attitude he is taking, when he says, "I can only tell you approximately, as the Minister of Railways did a month ago; I will give you our best judgment." This committee has always treated him very courteously and he should treat the committee in the same way. I may be taking an extreme view of this, but it is so different from anything else that has occurred in connection with the passing of estimates in this department that I cannot understand it unless there is something he really does not want to tell the committee until after the house rises. Now that is not the way to put these estimates through. Are there no items which it is intended to carry out with this $2,500,000 and in regard to which the minister could tell us something to-day? Can he tell us something in regard to half a million? That would be some satisfaction at any rate. But for him not to open his mouth in regard to any of it, not to give us any answer—that will not satisfy the committee. I do not want to be unreasonable and I do not think the committee has ever been unreasonable.

Mr. CANTLEY: Tedious, though.

Mr. ELLIOTT: Not as much so as some of my hon. friends. Perhaps the minister will give the committee some information; we should like to get it.

Mr. STEWART (Leeds): The only thing with regard to which I quarrel with my friend in connection with this is the repeated assertion that for some ulterior reason I am endeavouring to keep back from the committee some information which it should have. That is the only thing I resent all through his remarks. I say to him that that is not well founded. I have no complaint whatever as to the way in which the committee has treated me on former occasions, but this occasion is somewhat different from previous ones. Let me say to my hon. friend with respect to the works which we knew definitely we had to undertake, that all of these were provided for in the regular estimates. We had the information with regard to these; we had the reports of the engineers and made our decision. Since this information has been accumulated, these requests have been coming in. I tell my hon. friend again as clearly, candidly and firmly as I can that we have not made a decision as to where any portion of this $2,500,000 is to be expended, as to what amount is to be expended in any province or as to any allocation of it. I think he will agree that it would be impossible to do so until the information is complete, and also for the very reason which he gave himself on two occasions with respect to a much smaller item when all he could do was to refer to similar expenditures made in the previous year. I have given just the same information.

Again, all I can say is that we do not know; we have not made a decision, and the reason we have not made it is that the information is not complete. We cannot make a decision until the information is complete; from time to time additional information will come in and we will undertake works in the light of the information that comes in then. I do not know that I can add anything more. We have threshed this over and over again. If my hon. friend insists upon asking for information with respect to which I have stated my position, I cannot help it.

With regard to the information given by the Department of Railways and Canals respecting the $750,000, again my hon. friend would be as consistent as he is now if he insisted upon knowing at just what point along those canals a certain amount of money was to be spent. The items are simply a breaking up of the big item. They say: On a certain canal we propose to spend a certain amount, but no details are given as to the exact places and the exact amounts.

Again I submit to my hon. friend that this is a measure to provide money for the relief of unemployment and for the improvement of our harbours and rivers, and it must be left elastic in order that we may meet the emergencies of the works, whether they be simply repairs or improvements or new structures such as have been constructed out of the general vote in years gone by. I do not think I can give my hon. friend any more information.

Mr. ELLIOTT: As regards the argument that in respect of a less amount we were unable to give the full details, when the minister is spending $2,500,000 plus the items that are already in the estimates, he ought to give a little more information than if he were spending only a few thousand dollars The minister has in a very ingenious way let the cat out of the bag. He said that a great many of the works that they knew were required were already included in the estimates that are tabled. The estimates were tabled, I understand, about January 29; that is a considerable time ago, before most of the damage due to spring freshets could possibly have occurred, to say nothing of their having been known and reported to the department. Surely since then the department must have

received some details that are not covered by the estimates and about which the minister could give us some information; but he says: No, the reason I can give you no information is that most of the items we know about and can tell about have already been included in the estimates that were tabled months ago. That makes it quite clear to the committee that the minister does not intend that we shall know anything about what this money is to be expended upon until parliament completes this session.

Mr. CASGRAIN: Election pot.

Mr. ELLIOTT: I know it is not agreeable to any member of the committee to take up the time of the house in trying to get the information with the minister endeavouring to show that he does not know. If he understood me as making any suggestion with regard to his being deceitful or anything of the kind, I want to relieve his mind on that score; but I do want him to understand quite clearly that we are not being deceived by this action. He does know substantially what is to be done with this money, and all that the committee that are voting it wish to know is something about what is to be done with some of it. If he will give us that information, I think we will make some headway. If he cannot give it now, perhaps he can give it a week from now. I suggest that he get in touch with his engineers and other officials and see whether he cannot tell us even approximately where this money is likely to be spent. After all, if you are going to make a contract for harbours and rivers, you must make it pretty soon if the work is to be done this season. The house may be sitting for some time. Let us not attempt to proceed in the dark; let us wait until we can get some light on this subject, and let this item stand until the minister can give us some information.

Mr. CASGRAIN: Can the minister tell us how much of the $2,500,000 will be spent in the province of Quebec?

Mr. STEWART (Leeds): Requests from Quebec are, as I have explained, about $4,000,000 out of $9,000,000, and there are 355 works requested there. On works of this kind there is generally a larger amount spent in Quebec than in any of the other provinces, and naturally so because of the long coast line on the north and south shores and the absence of railway communication in some places, the only communication being by water and these wharves. For last year out of an item of $2,500,000 we spent in Quebec $425,124.47, and that was out of a total expenditure of under $1,500,000. Therefore my hon. friend need not worry a bit about Quebec getting its share of this expenditure. It has got it in the past and I assure him it will get it in the future.

Mr. CASGRAIN: I am not suggesting that Quebec would not get its share under this appropriation, as apparently it seems to have got a fair proportion last year.

Mr. STEWART (Leeds): It certainly did.

Mr. CASGRAIN: What we want and what we are entitled to get is information as to what amount out of the $2,500,000 is to be appropriated for Quebec, Ontario and in fact for each province. Let us not get away from the answers of the minister; let us not be taken away from the question. The minister rightly or wrongly stated his case before the recess. Whether he uttered words that were beyond his control or his mind, they are nevertheless on Hansard. We must be guided by those words and those undertakings if we are to have a fair discussion of this matter. Let me read again the answer and the undertaking that the minister gave. The hon. member for Quebec East read them last night, and I think it is important to read them again. When this was being discussed on April 16 the Minister of Public Works (Mr. Stewart) said:

> My hon. friend complains about information not being given. In the estimates of the department for years no details are given—just specific amounts. If hon. members desire information in regard to these items—

And we desire the information.

> —it will be cheerfully given, but we ask to have an opportunity of giving it before we are condemned for not giving it.

Now that is an undertaking to give information.

Further on he said:

> With regard to any of these items upon which information is desired I can only say that so far as they come under the control of the Department of Public Works we are prepared to give information.

Mr. STEWART (Leeds): Finish the sentence.

Mr. CASGRAIN: Just telling the committee that last year we had $2,500,000 and spent $400,000 in Quebec is not giving information.

Mr. STEWART (Leeds): Did my hon. friend complete the sentence or the whole statement there?

Mr. CASGRAIN: Further on he said:

> We are prepared to give all the information that the committee desires and as much as we give in connection with the regular estimates when they are submitted to the house.

Mr. STEWART (Leeds): That is exactly what I have done.

Mr. CASGRAIN: There is the discussion, and I want to take issue with the minister, along the same lines as the hon. member for West Middlesex (Mr. Elliott). Here we have a special bill, we have a special amount. The title of the bill states that it is relative to unemployment. The preamble says it is for the purpose of accelerating the recovery of trade and industry to more normal conditions, and:

> Whereas in pursuance of the said act there are dominion public works throughout Canada in process of construction amounting approximately to thirty million dollars; and whereas employment can be further stimulated by the undertaking of works and projects mentioned in the schedule hereto to supplement the works authorized by The Public Works Construction Act, 1934; and whereas it is in the national interest that such works and projects should be undertaken:

Now if it is in the national interest that those works should be undertaken we, the representatives of the people, have the right to know where and in what amounts this large sum is to be allocated and where the works are going to be done. I grant that in the regular estimates you have items specified for each district and each place, amounts of $50,000, $60,000, $125,000 as the case may be, and then at the end there is put for the province, $50,000 or $100,000 to take care of contingencies and unforeseen expenses, repairs and improvements, and if in regard to that the minister should give the answer he has given to-day I would be ready to accept it. But here we have an amount of $2,500,000 for harbours and rivers generally; a blank cheque, giving carte blanche to the minister. I am not so much afraid of him, because I think he is fair and honest, and his officials are. But we are getting near the time of an election, and as an amount was put in last year to cover a purpose, very likely the same thing will do the trick this year. What will happen is that in some districts where it will be more advantageous to carry on works than in another district where the work is more needed, the government will authorize such work by day labour and under the supervision of a given man. I have in mind certain necessary work in my district. Is the minister going to tell me that these works are not going to be done? I would like to know if they are, because they are necessary, and I do not want it to happen that if it is more advantageous for the government or their friends, or to help any given man in any territory, this money will go there rather than to the places which are vitally interested in getting ameliorations and betterments which they have been longing for for many years. Here we have the government placing this amount at its own disposal and at the disposal of any department—because this money can be entrusted to any minister of the government to spend without the members representing the various constituencies and the country at large knowing where and how and in what manner the amount is going to be spent.

The minister did not qualify his answer at all, he said he would give the information. At page 2817 when this item was under discussion before recess the minister stated in answer to the leader of the opposition:

> I am certainly in a position to give details on every item.

Well, this is the item, $2,500,000, on which members of this house have been pleading with the minister and the government for some little information; at least to have a specific amount for each province, and I would say each district in each province, and why the money is going to be spent. If the minister does not give the information it just resolves itself into this, that the government are not satisfied with what they have put in the main estimates, not satisfied with what they already have at their disposal. They have not made use of the whole $40,000,000 which was voted by a similar bill last year; I am told they have only spent about $6,000,000 of it. They are going to have at their disposal the balance of last year's vote and we are to be forced to vote more in this bill, with the result that between now and election time the government will be able at random, to suit the convenience of any candidate or any member, to give to this district or that any amount of money without any responsibility and without the safeguards with which in the old days and up to the present time the moneys of the people have been appropriated and voted for such expenditures.

This bill is quite different from the main estimates; it is a new departure, to relieve unemployment and accelerate recovery. The minister must have had reports from his officials and must be in a position to say where the works and projects mentioned in the preamble are. I think we should at least have from the minister information as to how much each province is going to get and each district; for instance in the province of Quebec how much is going to be appropriated to the district of Montreal, how much to the district of Quebec, the district of Chicoutimi, the district of Three Rivers, and the same for the province of Ontario, the maritime provinces, British Columbia and the other

western provinces. I think we are not treating the government unfairly in asking for such information. Last year when a similar bill came up we had the various projects itemized and numbered from one to a couple of hundred, and then there was a special vote along the same lines as this one. We objected, I did for one, because sufficient details were not given. Are we to let the same thing be repeated this year? Why did not the minister use the same phraseology, the same form and detail and schedule as last year? As the hon. member for West Middlesex pointed out yesterday, what is very likely to happen next year, if perchance this government should be here—I do not think it will be, let us hope not—is that it will bring in only one item for the whole sum to be spent for public works by every department of the government. The minister says that his engineers report about 900 requests from certain provinces, but he must realize that hon. members know where some of those moneys will be spent. We know there are certain districts where repairs are most needed and where new construction, which the minister has admitted will be done under the measure, is required. He has requests before him, and he must know where the works are to be carried out. Why not let the committee have information as to these various amounts? For instance, let the minister advise the committee as to the largest amount, if he does not wish to give all the details. I understand there may be some expenditures of $1,000 or $1,500 and that there might be some difficulty in giving details, but if there are big projects to be undertaken in any province then the minister in justice to himself, to the government and to the country at large ought to give the details.

Mr. GOTT: Carried.

Mr. CASGRAIN: No, it is not.

Mr. STEWART (Leeds): I hasten to assure the hon. member that no large projects are in mind so far as this vote is concerned. No large expenditures were made out of the vote of last year, and I can give him my assurance now that no extensive works will be undertaken out of this vote. Perhaps I could not do better than to give the hon. member the expenditures by provinces out of the vote of last year. I must add that this vote of $2,500,000 is not made on the basis of having a certain proportion given to each province. Manifestly it could not be done in that way. At the same time however we are endeavouring to maintain a fair ratio of expenditure and to treat all the provinces fairly and alike, according to their requirements. Conditions of unemployment in some provinces may be more severe than in others and for that reason would require greater expenditures. The information I have before me indicates that up to the date of this statement expenditures out of last year's vote amounted to $1,494,843.61, and the details are as follows:

Nova Scotia	$ 330,062 86
Prince Edward Island	58,290 11
New Brunswick	133,790 48
Quebec	425,124 47
Ontario	331,675 93
Manitoba	6,892 10
Saskatchewan	218 18
Alberta	4,224 52
Northwest Territories and Yukon	2,185 29
British Columbia	132,317 29
Generally, for services and other expenditures	70,062 38
	$1,494,843 61

The hon. member suggests that in not disclosing this information there must be some ulterior motive. I admit I promised to give information, and I say now that I have given as much information as in the past has been given with respect to similar items. I am giving as much information in connection with a vote of $2,500,000 as was formerly given respecting a vote of only $80,000 or $100,000. My hon. friend will agree the difficulty in deciding how to spend $2,500,000 is much greater than that of deciding the expenditure of $80,000 or $100,000. Yet we could not get any information concerning those smaller expenditures. To-day the hon. member insists upon the most complete and detailed information as to where and how this large amount of $2,500,000 is to be spent. Hon. members want to know in what province, what district or what constituency the work will be done, the amount of money to be spent and the type of work specified. The hon. member suggests that this is an election measure. All I say to him is that if this measure as drafted is an election measure, then it would be a very poor one. If I had anything to do with the preparation of a measure calculated to win an election on the basis of large expenditures of money I would be ashamed of any measure providing for expenditures such as these divided as they are.

Let me refer the hon. member to the estimates of a few years ago—and in passing may I add that I have no faith whatever in the expenditure of public moneys and the carrying out of public works as a means of winning an election.

Some hon. MEMBERS: Hear, hear.

Mr. STEWART (Leeds): My hon. friends opposite tried that.

Mr. SPOTTON: Hear, hear.

Mr. STEWART (Leeds): Hon. members opposite tried that in 1930, and we know what happened to them. The estimates in 1930 amounted to $38,074,726 and the expenditures were $32,959,620. In the year 1929 the estimates were for only $30,000,000, in 1928 $27,000,000 and in 1926-27 for only $19,000,000. So we find an estimate of $19,000,000 in the year 1926-27 as compared with one of more than $38,000,000 in an election year.

In the expenditure of moneys hon. members on this side have as high regard for the public interest and the requirements of public service as have hon. members opposite. I believe that in the past year there has been a fair ratio or balance of expenditures among the provinces, and they may expect that balance to continue in the present year. The money will not be used in the unfair manner which has been suggested. I have given all the information I can give, and I do not think I can usefully detain the committee by any further discussion. I trust hon. members will approve the item, or that in the alternative there may be a motion to strike it out, upon which a decision can be given.

Mr. CASGRAIN: The minister has indicated, if I understood him correctly, that out of the sum of $2,500,000 no huge amounts will be spent. I have before me a report of what was done under the Public Works Construction Act of 1934, and I find that under that act an expenditure of $24,522.70 was made. Does the minister consider that a small or a large amount? Then there were other expenditures of $6,000, $7,000 and $9,000.

Mr. STEWART (Leeds): The larger item is an expenditure to operate a departmental dredge for a season.

Mr. CASGRAIN: No, I must beg the minister's pardon. If he will follow me I shall give him the information. I have no objection to the amount of the expenditure because it was made to continue certain works undertaken by the previous government, to help a locality which needed assistance. I find the item "Baie St. Paul, construction of extension to wharf, $24,522.70." Then there is the item "Petite Riviere Romaine, wharf repairs, $5,997.53," and again "Sault au Mouton, hand dredging, $7,479.32," and "Pentecote eastward, construction of telegraph system, $9,000."

Here I have a report which was tabled some time ago indicating expenditures under the Public Works Construction Act, 1934. If I remember well, under the bill of last year—

Mr. STEWART (Leeds): If my hon. friend will allow me to interrupt, I do not want any misunderstanding. Possibly my hon. friend is correct and I may be wrong, and if I am wrong I want to hasten to put myself right. Would my hon. friend give me again that item of $24,000?

Mr. CASGRAIN: I have here sessional paper No. 333, dated Monday, May 20, 1935, return to an order of the house moved for by myself on February 20, 1935, asking for a statement showing the expenditure authorized in the county of Charlevoix-Saguenay during the year 1934-35; (a) in the regular estimates; (b) under the Public Works Construction Act, 1934, and showing the individual items and the nature of the work in each case. Turning to the items under (b) I find on page 10 of the return an item of $5,769.42 for the construction of protection work at Baie St. Paul, and this amount was not mentioned last year in the program of items which were set out in detail in the Public Works Construction Act of 1934. There was only the amount of $117,509.50 for the construction of an extension and repairs to wharf at Pointe au Pic. The contract was given for that, and it is mentioned in the list of works on page 10 of this return. I refer to these items in answer to the minister who stated a moment ago that out of this amount of $2,500,000 only small amounts will be spent here and there where work is most urgent and necessary. I do not begrudge the expenditure of these amounts in the district I have the honour to represent in this house. They were necessary works; the expenditure was needed, and in all cases the work was done as a continuation of previous works undertaken at my request and started under the late government. But what I say is that those amounts were not mentioned in the Public Works Construction Act of last year.

The minister now says that he is going to spend only small amounts, and I want to ask him if he considers $5,769 a small amount or does he consider $24,522.70, which was spent for an extension to the wharf at Baie St. Paul, a small amount? If he really intends to spend such large sums why not put them in the estimates so that we shall know where the money is to be spent? I will give a few other items of expenditure under the Public Works Construction Act, 1934, listed on page 10 of this same sessional

paper: Petite Rivière Romaine, $5,997.53; Pointe aux Anglais, $6,340.17; Ste. Anne de Beaupré, $6,000; Sault au Mouton, $7,479.32; construction of telegraph system, Pentecôte eastward, $9,000; and there was an item specially provided last year in the main estimates, as well as again this year, for the reconstruction and renovating of the line in the district below the Saguenay river.

As I said before, I do not begrudge the expenditure of these amounts and the undertaking of these works in the county that I have the honour to represent, but I want to point out to the committee and to the country at large the condition that exists when you have such a large appropriation as $2,500,000 and the only safeguard is the statement of the minister that only small amounts will be spent here and there to cover the most urgent cases. We see that some works which were necessary, entirely new works, were undertaken out of the vote last year, perhaps not for large amounts. Some of these expenditures were for continuation of work and some were for entirely new works, although these works had been requested long ago.

When the minister says he is going to spend only small amounts here and there, I would ask him what amount he considers a small amount. Would he consider $50,000 for a new project a large amount, or $100,000? Or will he limit himself to $15,000 or to $5,000, as was formerly the practice under the previous administration, when any work over $5,000 had to be let by tender and contract? Under this administration that practice has been done away with and works costing large amounts are being done either by day labour or by contract. What does the minister consider a small amount? I should like to have an answer, Mr. Chairman.

Mr. STEWART (Leeds): An answer to what?

Mr. CASGRAIN: The minister says that only small amounts will be spent here and there out of this huge appropriation of $2,500,000, and I should like to know how large a sum he would consider a small amount.

Mr. STEWART (Leeds): I would not want to be too small with my hon. friend. Small and large are relative terms, and when I say large amounts I have not in mind any expenditures such as half a million dollars or $300,000, such as have been asked for in some parts of the province of Quebec, or even $100,000 which together with smaller amounts has been asked for in other places. I have not in view any half million dollar or quarter million dollar expenditures, but there might be a work that would require a considerable amount, as much as any my hon. friend has mentioned, and still I would consider that a comparatively small amount.

Mr. CASGRAIN: Referring again to this list of works carried on last year under the Public Works Construction Act, may I ask for information as to where this breakwater construction was done at Pointe aux Anglais. Was it along the river Pentecôte or the river Riverin?

Mr. STEWART (Leeds): I can only repeat the position I have already taken with respect to these items of expenditure last year, and that is that we have already given more information than has hitherto been furnished in connection with the regular estimates in any other year, because not only was a statement of the expenditures laid on the table by the Minister of Finance as the act provides, but returns galore have been brought down for hon. members, from one of which my hon. friend has just been reading.

Mr. CASGRAIN: But it does not say where the work at Pointe aux Anglais was done.

Mr. STEWART (Leeds): And orders in council passed under the Public Works Construction Act of last year have been laid on the table practically every day. What I have already undertaken to do is that on the estimates of the department I shall be prepared to give full information in connection with any work that has been undertaken under that act. I submit to my hon. friend that these expenditures have really nothing to do with this schedule. I cannot be expected to bring down every day information on every individual item of expenditure under the Public Works Construction Act of last year because those items run into hundreds, as my hon. friend knows. I repeat, however, what I have already said, that I shall be prepared to give on the estimates all the details that my hon. friend requires.

Mr. CASGRAIN: On the supplementary estimates?

Mr. STEWART (Leeds): But what I do say is that the expenditure under the bill of last year is scarcely applicable to the present bill.

Mr. CASGRAIN: The reason I asked for the information with regard to Pointe aux Anglais is that there are so many names and so many districts that it is pretty hard to find out just where the work was done if the

details are not given. I have recommended that certain work be done in a certain district, but it may have been done in some other bay or channel. That is why I ask for the information. It would save time if I could go to the minister's department and secure the information from his officials.

Mr. STEWART (Leeds): That course could be adopted with a considerable saving of time. We have already offered to turn over to my hon. friend all the files in connection with any work done in any constituency. I think that is an excellent suggestion; it will save time and the information could be given more accurately.

Mr. MARCIL: I have only a word or two to say in connection with this matter. During the past five years the procedure has been changed considerably. In the old days we could not spend an amount over $1,000 without an item appearing in the estimates; items under $1,000 were included in a general vote. No expenditure over $5,000 could be made except by calling for tenders. This amount has since been raised to $15,000 and we are now voting blank cheques. Parliament has upheld this new procedure and I have nothing more to say about it.

As far as my own constituency is concerned I am making no objection to any expenditures which might be made there. However, I must say that in every case where work has been done it has been merely repair work. There is one exception, the new wharf which was constructed at Black Cape. There was a difference of opinion as to where this wharf should be located, whether at Hewatson's Point or Woodsmen Beach, but this was left to the engineers to decide. I do not like the minister to try to put forth the impression that this money is being expended for the relief of unemployment when in fact it is being expended simply for the benefit of the friends of the government. I doubt if during the last five years more than five per cent of the money expended has been paid to Liberals, those who carried out the contracts and the workmen generally were friends of the party in power. The minister himself admitted this last year and the same procedure was followed when we were in power. I do not object to that but I want to correct the impression that these works are for unemployment relief when in fact they are merely for the benefit of the party friends in each locality. I am receiving letters every day from people in the different parishes in my constituency asking if such and such a work is to be done. I cannot give them any information, all I can say is that under the present parliamentary procedure the last man to know about what is happening in a constituency is the opposition member representing that constituency. I must tell my constituents that I must abide by the law and take things as they are.

Mr. STEWART (Leeds): I want to say to my hon. friend that no member has been more persistent in making representations on behalf of his constituency than has he. I think he will agree with me when I say that his numerous communications have received careful and prompt consideration and that in every instance he has been furnished with all the information for which he asked. Many works have been constructed in his constituency and when works have not been constructed, a reason has been given. The wharf to which he refers was located entirely upon the recommendation of the engineer. We know that these things do not meet with universal approval but I think the choice of location in this instance was a sound one. My hon. friend has written to the department quite frequently and whenever he asked for information he was supplied with all that was in the department. I will not go so far as to say that we have consulted the hon. member as to who shall be employed on public works, but does he think we should do so? There are different channels from which information of that kind is obtained but any representations made by my hon. friend have received the attention they deserve. Any complaints which he has made as to discrimination or any irregularities have been investigated and as far as possible put right. I am sure my hon. friend will agree with that.

Mr. MARCIL: I have no objection to all that, I merely wanted to correct the impression being put forth that this work is being done for unemployment relief.

Mr. STEWART (Leeds): If unemployed Conservatives are given work, are they not relieved?

Mr. MARCIL: Certainly, but that is only one part of the unemployed.

Mr. CASGRAIN: Only Tories are relieved, the Liberals cannot get any employment.

Mr. MARCIL: I have no objection, I only want that one fact made clear. This is merely party work. It was done in our time and it will be done again but from my experience, small as it is, I predict that the minister will not be permitted to go on spending these large sums of money. The control of parliament has been taken away. I am reminded of what I was told when I took over the office of Speaker twenty-five years ago; I was told I

would be lost if I ever departed from the rules. I am afraid that parliament has lost control over the expenditure of public money but the day will come when the people will change their minds and will insist that parliament go back to the old system of giving explanations for every dollar expended.

Mr. CAMPBELL: This bill follows the act of 1934 and I should like the minister to tell us approximately how much of the vote of last year was unexpended at May 1.

Mr. STEWART (Leeds): Of the $39,000,000 in round figures provided for by the act of last year, I should say that on May 1 around $12,000,000 to $15,000,000 would have been earned. It is rather difficult to give an exact figure as commitments must be prepared and sent in to the chief architect by the architects on the job. Considerable time elapses before actual payment is made by the Department of Finance. I gave a statement of the expenditures under the Public Works Construction Act and I estimated the total as $10,000,000 as having been expended or earned.

Mr. HEAPS: I should like to say a word respecting the statements made by hon. members on both sides of the house in connection with the money to be spent and the men to be employed on these public projects. I think it has been admitted by the government that workers with Conservative leanings will be given the preference in employment on these public works and hon. members on the Liberal side say that that is the proper thing to do.

Some hon. MEMBERS: No.

Mr. POWER: Not for unemployment relief works.

Mr. HEAPS: Whether they be public works or unemployment relief works, I see no difference. I think it is a sad reflection upon the whole system of government to find hon. members rising in their places and saying that that is the right and proper way to conduct the business of this country. There is an overwhelming opinion throughout the country that that is not the way to conduct the business of Canada. If public works are to be constructed, they should be constructed for the purpose of providing necessary services to the people and furnishing work to the unemployed, irrespective of party considerations. I am rather surprised and pained to hear hon. members of the opposition say they are in favour of such a system, and that they will continue the system if returned to power. I do not like to hear them say that the spoils belong to the victors.

[Mr. Marcil.]

Mr. CASGRAIN: We did not say that.

Mr. HEAPS: It has been said. Those may not have been the words used but it was stated that it was proper for the party in power to give its patronage to those of the same political complexion.

Mr. GRAY: The hon. member knows that I have an amendment which is the very opposite of that.

Mr. HEAPS: I should like to see the amendment carried, but it is rather strange that while my hon. friend has such an amendment members of his own party should express views contrary to its intent. I protest very strongly against the idea, because I believe that the great volume of opinion in Canada is totally opposed to methods of that kind being introduced into our public works in this country. If it has been done in the past that is no excuse for continuing it now. I do not know just how this money will be spent; this being an election year it is my surmise that a good deal of it will be spent, whether there is a precedent for it or not. However, I want to ask the minister a question. Can he tell the house whether in connection with these contracts that are being let for the construction of these public works the fair wage clauses will be carried out? What steps is the department taking to see that they are carried out?

Mr. STEWART (Leeds): Each year the Department of Labour determines a fair schedule of wages for all classes of labour on public works in different parts of the country. They vary from one end of Canada to the other. That schedule is sent to the Public Works department and is made a part of the contract for the particular work; and more than that, the schedule is posted on the work that is being carried on, so that the employees engaged on that work have access to it.

Mr. McINTOSH: It varies with each district too, does it not?

Mr. STEWART (Leeds): It may. The employee can consult the list that is posted on the work and ascertain whether he is being paid according to the schedule that has been adopted. From time to time inspections are made of the contractors' books to see that this is carried out, and if any complaint is made that a contractor does not observe the provisions of the contract and does not pay the wages provided by the schedule, an inspector is sent on and he is forced to do so. In some instances, after the contractor has been paid in full and an injustice of that

kind has been discovered and, as the saying is, he has been put on the carpet, he is made to go back and pay the deficiency to all employees. Let me assure my hon. friend that every possible effort is made by the government to see that a high standard of wages is maintained. It is made a part of the contract and the contractor must give his employees some means of knowing what the schedule is. He is checked up and forced to comply strictly with the provision.

Mr. HEAPS: I know that many evasions have taken place in connection with these contracts so far as fair wages are concerned. My object now is to find out what machinery the department will use to see that the fair wage clauses are observed. Do they wait for complaints to come in, or do inspectors from his department or the Labour department go round and see that the clauses are strictly enforced?

Mr. STEWART (Leeds): There are two checks in that regard. The Department of Public Works has its own inspector on the work for supervision, and he keeps in touch with what is going on; and the Department of Labour regularly sends a member of its staff to visit public works to consult with the men and find out the conditions and whether there are any grievances.

Mr. HEAPS: With reference to patronage, I raised the question a day or two ago and I am forced to bring it up again after what has been said this afternoon. Can we take it as a fact that in public works of this kind people can be employed only from a patronage list?

Mr. STEWART (Leeds): So far as this department is concerned there is no patronage list for the employment of labour on contracts. That is entirely for the contractor himself. I have no doubt that where a public work is carried on those representing any political party or organization may go to the contractor and ask to have certain men employed. I do not know that we can prevent that, nor do I think that we should. I do not know that it would be right to prevent my hon. friend in the city of Winnipeg from going to a contractor who has a contract for a building and saying, "I know A.B. or C.D.; he is a good workman and is out of employment; can you not give him a chance? Can you not find a place for him?" Surely there is nothing wrong about that, even though it is done by a member of parliament or any other person or organization. After all, however, the contractor must decide whom he will employ, and we exercise no control in that regard.

Mr. HEAPS: That is all right as stated by the minister. I have no objection to anyone going to a contractor and submitting a name or names to him. I have not done that myself because it creates trouble for the one who does it.

Mr. STEWART (Leeds): He has a perfect right to do it.

Mr. HEAPS: Yes, but the man is foolish who does it because it only makes trouble for himself and he becomes an employment agent. I refuse to be an employment agent; I would rather attend to my duties as a member of parliament. What I am trying to point out—and I think the minister is skating on thin ice—is that in certain parts of the country when men want work they are obliged to go to political organizations. I do not say that this is done with the connivance or even with the knowledge of the Department of Public Works or of the minister; but somehow or other, when these contracts are let, it is known to the political party in power—as a matter of fact I have on file letters to that effect—and persons seeking employment have to go to Conservative headquarters before their names are placed on the eligible list. I object to that and I do not care what party is in power. I say that a man should be able to get a job irrespective of his political convictions, and I think that on this matter the minister ought to make a pronouncement from his seat in this house. He should protest against that practice and state that so far as he and the government are concerned they object to any of these positions being handled through any political party. It is a very simple matter. The minister can make that statement on the floor of the house and assure us that if such a thing is being done, or if it is brought to his attention, the government will put an end to it. I do not know whether he is prepared to go so far as to get up in the house and state that the government object to any party having anything whatever to do with the provision of eligible lists for submission to contractors.

Mr. MARCIL: I want my hon. friend (Mr. Heaps) to understand that I did not advocate anything in particular. I wished to impress upon the house the change that had taken place in conditions. I wanted to show that we had got away from the old parliamentary practice of many years ago, when parliament controlled public expenditures and not one dollar

could be voted by the house unless ministers of the crown had first of all indicated how the money was going to be spent. That is what I advocated. We have had two classes of expenditure in this country during the last five years. One has been in regard to unemployment relief. As far as I can learn unemployment relief expenditures have been among both political parties; both Liberals and Conservatives have been employed; but when the matter was a purely departmental work given out in the usual course of business by the party in power, of course the old method was followed that the government stood by its friends as it expected its friends to stand by it. It has appointed its friends to control these works. That has always been done in Canada and will be done for a long time to come, even if our friends to my left ever reach office.

Mr. CASGRAIN: I want to add a few words along the line of those just uttered by the hon. member for Bonaventure. When I was on the other side of the house and when there were any public works to be undertaken in my district, when a superintendent of works was appointed, in each case I used to give him instructions to employ as far as possible all people, Liberals and Conservatives alike, that were most in need of work to earn money. I know in many places there was no complaint at all and those who were in need of work, Liberals and Conservatives, got it. But at the present time I may tell the committee that in many places where works have been carried on, for instance at Ste. Anne de Beaupré, Pointe au Pic and other places, only Conservatives were employed and those who were known to be Liberals were turned down. In some places I know of, for instance at St. Irénée, only Conservatives were employed to do some work and earn a certain amount of money while Liberals were in need and other people whose party affiliations we do not know, did not get anything to do. The Tories got it all; there was a wrangle among them and those who fought the hardest got the most.

Mr. POULIOT: I would like to ask the minister who is the owner of an island which appears on the plan which I hold in my hand. It is the little circle that the minister will see at the mouth of the Rivière du Chene at St. Eustache, in the county of Two Mountains.

Mr. STEWART (Leeds): I do not know who owns the island.

Mr. POULIOT: I am surprised that the minister does not know because it is in the constituency of the Postmaster General and some dredging has been done there. What amount of dredging has been done there?

Mr. STEWART (Leeds): As I recall the matter, my hon. friend asked for a return which was brought down and delivered to him which gives all the particulars of the work carried on there in the past and must contain the item to which he now refers. I have not a copy of the return before me, so I cannot speak from memory as to what the expenditure was.

Mr. POULIOT: But on the return that I have and which has been carefully combed, there is no hair; the dandruff only has been left. This is why it is so embarrassing to try to get complete information. According to the return given by the minister, a sum of $32,000 was expended there for dredging and filling. May I ask the minister whether this is all the money that was spent there or whether an additional amount was spent by the Quebec provincial government for the same purpose?

Mr. STEWART (Leeds): My recollection is that the Quebec government did not make any contribution to the dredging to which my hon. friend refers. It made a contribution to some works but not to this particular one.

Mr. POULIOT: Some money has been spent there. We complained the other day about the Toronto tunnel, but this is one of the greatest extravagances of this government. Here we have an island without a name and in the vicinity we see the church and properties belonging to Georges Paquin and E. Charles Girard. There is another property belonging to L'Oeuvre et Fabrique de St. Eustache. Then there is an ice shed and St. Eustache cemetery. There is a property near there in the name of the Postmaster General and next to him is a property belonging to Madame Aubé. I understand the island belongs to the Postmaster General. Let us see how shallow the water is around it. The readings of depth are given as: 1·7 feet, 2·1 feet, 1·2 feet, 1·9 feet, 2·1 feet, 1·8 inches, 3·1 feet, 2·3 feet, 2·7 feet, three-tenths of a foot, 1·7 feet, 1·2 feet, three-tenths of a foot. This is the channel around the island and the government has spent $32,000 for that.

There is worse than that. I am told by reliable people that that money has been spent to improve the estate of the Postmaster General and some excavation has been made. On the plan which is not signed but

which comes with return reference 256, sessional paper No. 350, there appears this description:

> Area of loose rock cleaned by hand. The big boulders on this shoal were dynamited, and all stones and boulders wheelbarrowed, one part on adjacent island, other part on shore opposite. This shoal was cleaned to low water level in 1934 by day labour.

I would ask the Minister of Public Works —and perhaps I will give him some inside information as to what is going on in his department—whether it is not true that the dredging was the digging of that shallow water of less than one foot in some places in order to increase it to three—that was the answer given—to improve the navigation facilities for small craft around the island belonging to the Postmaster General. That is the first point. There was quite a heavy expenditure on that and there were numerous complaints from the electors of that constituency of Two Mountains that there was enough of that dredging. Then there was some filling. All the rocks and boulders that had been brought to the island to make it a fortress were taken from the island into the stream again, and that was filling. That was an expenditure of $32,000. Why is the hon. member for North Simcoe (Mr. Simpson) smiling? If an hon. member of my own party were doing a thing like that, I would denounce him instead of approving of his action by my smile. I wonder whether there is a single elector in my hon. friend's constituency who would approve such extravagant waste of money as that at the expense of the country for a minister of the crown. What surprises me is this: there is in this big file only one mention of the Postmaster General, stating that he wishes the work to be done at the earliest opportunity. It was such a scandalous work that the rocks had to be taken from the island and thrown again into the stream. Of course no one is surprised at that when one considers that $20,000 has been given as pure graft for a man who had invented that famous postal box made of a stovepipe. Well sir, the postage has been increased one cent, from two cents to three. How many cents did it take from the Canadian taxpayer to pay that fabulous expenditure of $32,000? Three million two hundred thousand cents. Sir, it is incredible. I am sure the Minister of Public Works is ashamed of it. I am sure advantage has been taken of his good faith; he has been deceived. May I ask the hon. gentleman if he will explain that expenditure? Many expenditures are necessary and money is not available for them, yet there is waste and extravagance of that kind, taking rocks from a small stream to put them on the shores of an island in order to beautify it when that island is the property of a private individual. Then when the population is outraged by that way of spending money the rocks and boulders are taken and thrown into the water, making a double expenditure in order that nothing should remain in sight of such a scandal. Will the hon. gentleman explain that?

Mr. STEWART (Leeds): I speak from recollection and without having the file before me. This was a scheme for dredging the Du Chêne river—

Mr. POULIOT: A scheme all right!

Mr. STEWART (Leeds): —through the village of St. Eustache. I think the dredging extended a mile or more, and the effect was to improve very much the conditions for that village and its residents. As my hon. friend states, the water was shallow in some places and the dredging was to deepen the channel, making navigation better and improving the flow of water past the village, it having become stagnant owing to the fact that the stream had filled at the mouth. Now the usual practice in such matters, where dredging is carried on in a stream of this kind, is to place the spoil along the shore and on the land adjoining. I believe that was the course adopted in this case; the spoil was placed along the side of the channel or lands of the different owners. My hon. friend says that some of the land was owned by the Postmaster General (Mr. Sauvé). That may be so, but the same method was adopted of disposing of the spoil as in the case of the other owners and as is usual in cases of this kind. It was a scheme for the dredging of this river to improve it for navigation and for the benefit of the village, and not for the benefit of the Postmaster General. If the spoil was placed on his land or around this island it was merely following the same course as was adopted with respect to all the other owners in the same area. I do not know the quantity of the spoil; that is a detail for the engineers. I do not think there was anything irregular or improper in the way the work was carried out or the method employed for disposal of the spoil. I do not know anything about the boulders of which my hon. friend speaks, and I do not know whether it was an improvement or a detriment to the land upon which the spoil was placed. All we ever do is to get the approval or consent of the owners of adjoining land so that there will be no

claim for damages, because in carrying on the work of the department we have found that if you dredge and put the spoil on adjoining lands there is generally a claim for damages—

Mr. POULIOT: May I ask a question?

Mr. STEWART (Leeds): —or for interruption of access to the water. To avoid that sort of thing we generally get, as I have said, the consent of the owner to place the spoil upon his land, or a release from damage claims. I can only say that as far as I know the usual and regular course that has been followed in similar work was followed in this case.

I move that the committee rise.

Mr. POULIOT: Before the committee rises may I ask a question?

Some hon. MEMBERS: Order.

Mr. POULIOT: May I ask him who was the owner of the island from whom he got the consent?

Mr. STEWART (Leeds): I do not know.

Mr. POULIOT: Then how could the minister get his consent?

Progress reported.

At six o'clock the house adjourned without question put, pursuant to standing order.

Thursday, May 23, 1935

The house met at three o'clock.

STANDING ORDERS

Mr. A. U. G. BURY (East Edmonton) presented the second report of the select standing committee on standing orders, and moved that the report be concurred in.

Motion agreed to.

VICTORIA DAY ADJOURNMENT

Right Hon. R. B. BENNETT (Prime Minister) moved:

That when this house adjourns this day it stand adjourned until Monday the 27th instant.

Mr. WILLIAM DUFF (Antigonish-Guysborough): Mr. Speaker, I understand that there must be unanimous consent before this motion can pass. I made a protest yesterday against this proposed adjournment. We have had almost a five weeks' adjournment, from April 17 to May 20, and I think that was sufficiently long for the members of this parliament who come here from all parts of this country from the Atlantic to the Pacific, from the northern parts of Ontario and Quebec and as far south as the international boundary, to do the business of this country. While of course it may be convenient for a few members of this house to have the house adjourn to-night so that they can go back to their homes and their families, it is not quite fair to those of us who have to stay here in Ottawa right through to-morrow, Saturday and Sunday, and until the house meets again on Monday. It seems to me, sir, that under all the circumstances this motion should not carry.

Mr. BENNETT: Mr. Speaker, on page 7 of the orders of the day the notice of motion appears under government notices of motion, and I merely move it now as a matter of convenience. It does not require the unanimous consent of the house.

Mr. DUFF: Mr. Speaker, I say that yesterday it did not appear on the orders of the day but in the votes and proceedings, and under the rules the motion must be on the order paper forty-eight hours before we can dispose of it.

Mr. BENNETT: I gave verbal notice of it yesterday.

Mr. DUFF: That is not sufficient, Mr. Speaker.

Mr. BENNETT: I think it is.

Mr. SPEAKER: I am of the opinion that it does require unanimous consent. Rule 45 says:

Forty-eight hours' notice shall be given of a motion for leave to present a bill, resolution or address,

and so forth, and:

Such notice shall be laid on the table before six o'clock p.m., and be printed in the votes and proceedings of that day.

That is, to-day, and therefore in my judgment the motion can only be moved by unanimous consent.

Mr. DUFF: If you will allow me, Mr. Speaker, perhaps the Prime Minister and I can make a compromise. I realize the heavy burden which he and other members of the house are carrying, although I do not place myself in that category, and in consideration of that and especially in view of the fact that I always thought a great deal of Queen Victoria, I am willing to waive my objection under certain conditions. We have been sitting in this parliament since January 17,

less the five weeks' adjournment, and if the Prime Minister will be good enough to make a compromise with me and move that from next Wednesday until the close of this session we shall sit on Wednesday evenings I shall be very glad to withdraw my objection so that the holiday can be observed to-morrow.

Mr. BENNETT: I am sorry that I can agree to no condition of that character. If the hon. member persists in his objection, the motion will have to stand.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): May I say to the hon. member who has just spoken (Mr. Duff) that realizing the position of the ministry in connection with new legislation to be introduced and other matters to be considered, I felt that the government would probably be in the best position to know what would serve to expedite the business of the session and accordingly said the other day that I thought it could be left to the government to decide whether or not we would sit on Friday. I stated at that time, I thought with the approval of hon. members, that whatever the government might decide would be acceptable to this side of the house. Under the circumstances I hope my hon. friend will see his way to agree with the motion and abide by the decision of the government.

Mr. DUFF: I am a good soldier and I will follow my leader.

Motion agreed to.

ABOLITION OF SALES TAX

On the order for motions:

Mr. P. A. SEGUIN (Translation) (L'Assomption-Montcalm): Mr. Speaker, I have the honour to lay on the table of the house resolutions from the municipal councils of various parishes of the riding of L'Assomption-Montcalm, which I have the privilege to represent, requesting the abolition of the 6 per cent sales tax on vegetables canned by the farmers' cooperative societies carrying on no business other than the marketing of the products of their members.

It is natural that, in these difficult times, the farming class should receive from the government all possible assistance. It is highly important that this tax on farm products be removed.

These various resolutions have been adopted by the municipal councils of the parishes of St. Paul l'Ermite, Lachenaie, St. Roch de l'Achigan, Sainte-Marie-Salomée, Chertsey and St. Donat. They are addressed to the government, to the ministers and to the members of the House of Commons.

Mr. SPEAKER: Would the hon. member be good enough to let this matter stand until I have had an opportunity to look into it?

WEIGHTS AND MEASURES ACT

Hon. HUGH GUTHRIE (Minister of Justice, for the Minister of Trade and Commerce) moved for leave to introduce Bill No. 70 to amend the Weights and Measures Act.

Some hon. MEMBERS: Explain.

Mr. GUTHRIE: This bill contains a number of amendments to the present Weights and Measures Act. It provides for the establishment of certain standards to be known as dominion standards; it prescribes certain weights and fixes the measurement of a cord of wood; it contains certain provisions in accordance with the recommendations made by the price spreads commission and it provides also for increases in penalties for infractions of certain of the sections of the act as well as of the new sections.

Mr. STEWART (Edmonton): Does it cover short weights of coal?

Mr. GUTHRIE: Yes, short weights generally.

Motion agreed to and bill read the first time.

INDUSTRIAL DISPUTES

Hon. HUGH GUTHRIE (Minister of Justice, for the Minister of Labour) moved for leave to introduce Bill No. 71 to amend the Industrial Disputes Investigation Act.

Some hon. MEMBERS: Explain.

Mr. GUTHRIE: This bill seeks to carry into effect certain of the recommendations made in the report of the price spreads commission. In certain cases it gives the Minister of Labour the power to bring the act into operation with or without any complaint or order of the board. It increases the power given to the Minister of Labour and is confined to industries subject to the legislative jurisdiction of the parliament of Canada.

Motion agreed to and bill read the first time.

LIVE STOCK AND PRODUCTS

Hon. ROBERT WEIR (Minister of Agriculture) moved for leave to introduce Bill No. 72 to amend the Live Stock and Live Stock Products Act.

He said: The purpose of this bill is to give effect to certain recommendations that have been made in the report of the royal commission on price spreads and which have not been taken care of by legislation already on the statute books. This bill provides that the yards of the packing companies may be brought within the regulations governing public stockyards and in that respect under the supervision of the Department of Agriculture. The bill provides that in cooperation with the provinces, all truckers may be brought under supervision and control. Provision is also made for a more complete inspection of live stock and live stock products.

Motion agreed to and bill read the first time.

CRIMINAL CODE AMENDMENT

Hon. HUGH GUTHRIE (Minister of Justice) moved for leave to introduce Bill No. 73 to amend the criminal code.

He said: As the house is aware, there is a short bill now before it to amend the criminal code and it is intended to consolidate that bill and the present one as they proceed through the house. To some extent the present bill is in the nature of an omnibus bill. It seeks to bring into effect some of the requests that are made from time to time from various parts of Canada for amendments to the code. It provides that the Minister of Agriculture may make recommendations by regulation to be submitted to the governor in council in regard to pari mutuel betting on race tracks. It provides, in the case of motor cars being driven by persons who are intoxicated, that there be no suspension of sentence. At the present time in some parts of Canada magistrates take the view that they are entitled to suspend sentence notwithstanding that they find the party guilty. There is a clause to prevent fraud in regard to the application for and the securing of passports. Then follow three clauses—4, 5 and 6—providing new offences and penalties, arising out of the report of the price spreads commission. I direct particular attention to these clauses because, with respect to one or two subclauses, there may be some constitutional doubt which we can discuss when the bill comes before the house. The other clauses are more or less technical. There is one relating to the jurisdiction of police magistrates in cities of over 25,000; another in regard to the custody of insane persons in prisons, reformatories and penitentiaries; another providing for appeal by the provincial attorneys general to the Supreme Court of Canada, or to clarify the present section in regard thereto; and another one in regard to the fees which are allowed to justices of the peace.

Mr. LAPOINTE: To which of these amendments does the hon. gentleman refer as one in regard to which perhaps there may be some doubt respecting constitutionality?

Mr. GUTHRIE: Sections 4, 5 and 6 are introduced to carry out the recommendations of the price spreads commission and there seems to be some doubt about paragraph (a) of section 6 and paragraph (b) of section 6. The first one makes provision with respect to discrimination in trade. The bill as drawn provides:

> Every person engaged in trade or commerce or industry is guilty of an indictable offence and liable to a penalty not exceeding one thousand dollars or to one month's imprisonment, or, if a corporation, to a penalty not exceeding five thousand dollars, who
>
> (a) is a party or privy to, or knowingly assists in, any transaction of sale which discriminates against competitors of the purchaser in that any discount, rebate or allowance is granted to the purchaser over and above any discount, rebate or allowance granted to the aforesaid competitors in respect of a sale of goods of a similar quality and quantity;
>
> (b) engages in a policy of selling goods in any area of Canada at prices lower than those exacted by such seller elsewhere in Canada, for the purpose of destroying competition or eliminating a competitor in such part of Canada;

Motion agreed to and bill read the first time.

PRIVATE BILL

FIRST READING—SENATE BILL

Bill No. 65 for the relief of Isabelle Hume Sadlier Rice.—Mr. Garland (Carleton).

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

RIVIÈRE FOURCHUE, QUE., POST OFFICE

Mr. POULIOT:

1. Who is the postmaster at Rivière Fourchue, province of Quebec, since the month of August, 1930?

2. Did the postmaster who was in charge, April 8, 1935, tender his resignation?

3. If so, was it accepted, who is his successor and on whose recommendation was he appointed?

Mr. SAUVE:

1. Oscar Blier, appointed on September 4, 1930, tendered his resignation on November 6, 1933, and was replaced by Lorenzo Massé, who was appointed on December 1, 1933.
2. No.
3. See answer to No. 2.

ST. ANTONIN, QUE., POST OFFICE

Mr. POULIOT:

1. Did Mr. Amedee Jean, postmaster of St. Antonin, tender his resignation?
2. If so, has his successor been appointed?
3. What is his name?
4. Did the Post Office Department receive recommendations in favour of a new postmaster in the village of St. Antonin since 1935?
5. If so, when, from whom, and in favour of whom?

Mr. SAUVE:

1. No.
2 and 3. See answer to No. 1.
4. No.
5. See answer to No. 4.

BRITISH IMPORTS OF CANADIAN PRODUCTS

Mr. POULIOT:

1. Were and are there any quotas affecting British imports of Canadian products?
2. If so (a) since when; (b) what were they each year for each Canadian product; (c) what were the Canadian shipments to Great Britain each year in accordance with each quota; (d) what are they now?

Mr. BENNETT:

1. Yes; bacon and hams, oats and oat products.

2. (a) Bacon and hams since August, 1932; oats and oat products since August, 1933; (b) Article 6 of the Canada-United Kingdom agreement assured free entry into the United Kingdom of bacon and hams of good quality up to a maximum of 2,500,000 cwt. (280,000,000 pounds) per annum for the term of the agreement.

An arrangement entered into on July 28, 1933, provided increase of United Kingdom customs duty on foreign oats and oat products to 20 per cent ad valorem or an equivalent specific duty on condition that exports from Canada of oats and oat products in the year beginning August 1, 1933, would not exceed 2,000,000 long cwt. (6,588,230 bushels) and 570,000 long cwt. (63,840,000 pounds) respectively. It was understood that not more than half the allocation for oat products would be comprised of oat products shipped in sacks as distinct from cased goods. This arrangement was renewed in terms for one year from August 1, 1934.

(c) Exports of bacon and hams to United Kingdom for fiscal years ending March 31 were: 1933, 36,606,700 pounds; 1934, 94,559,700 pounds, and 1935, 127,052,900 pounds.

Exports of oats from Canada to the United Kingdom from August 1, 1933, to July 31, 1934, amounted to 4,545,006 bushels and from August 1, 1934, to April 30, 1935, amounted to 5,814,613 bushels.

Exports of oatmeal and rolled oats to the United Kingdom from August 1, 1933, to July 31, 1934, were 44,531,000 pounds. From August 1, 1934, to April 30, 1935, they were 35,374,000 pounds.

(d) Answered by (c).

QUESTION PASSED AS ORDER FOR RETURN

CERTIFICATES OF NATURALIZATION

Mr. LUCHKOVICH:

1. How many applicants received certificates of naturalization in 1934?
2. How many applicants were refused on grounds of lack of adequate knowledge of English or French?
3. How many were refused for other reasons, stating reasons?
4. What was the average length of residence of the various applicants? What was the average length of residence of the applicants who were refused naturalization on grounds of language difficulties, and for other reasons?

Mr. CAHAN: Return tabled herewith.

LOAN FLOTATION

On the orders of the day:

Right Hon. R. B. BENNETT (Prime Minister): Before the orders of the day are proceeded with I desire to answer a question asked by the hon. member for Sherbrooke (Mr. Howard) as to whether or not there was any provision for the calling of the issue of $60,000,000 of Dominion of Canada bonds before maturity. There is no provision with respect to the two and one-half per cent bonds because it is not contemplated that there will ever be an opportunity during their currency to call them at a lower rate of interest. With respect to the three per cent bonds, there is provision that they shall be subject to redemption at the option of the government, as a whole, at 100 and interest on June 1, 1950, or on any subsequent interest payment date, on sixty days' notice. That was contained in the prospectus on which the bonds were sold. Speaking of the £28,000,000 loan, with respect to which the government had arranged to carry out a conversion, I am reported in Hansard as having said:

... which will mature at an early date.

I should have said, "which are callable on six months' notice." If I said, "at an early date," I intended to say were callable on six months' notice.

WHEAT CONFERENCE

On the orders of the day:

Mr. T. F. DONNELLY (Willow Bunch): I notice in the press that the international wheat conference opened yesterday in London, England. May I ask the Prime Minister who our representatives are.

Right Hon. R. B. BENNETT (Prime Minister): I think the representation has been arranged in the high commissioner's office. That is my memory, but I will verify it.

CANADIAN SILVER DOLLAR

On the orders of the day:

Mr. THOMAS REID (New Westminster): In the absence of the Minister of Finance I wish to direct a question to the Prime Minister. Can he inform the house as to the total issue of new Canadian silver dollars authorized up to the present time? Further, in view of the great demand for these, is the government contemplating authorizing further amounts?

Right Hon. R. B. BENNETT (Prime Minister): Having received no notice of the question, I shall have to speak subject to correction. The first issue authorized, 100,000, has been exhausted. The second 100,000 is being proceeded with and as long as there is demand for them the silver dollar will be issued.

UNEMPLOYMENT RELIEF

On the orders of the day:

Mr. J. R. HURTUBISE (Nipissing): I have certain questions to direct to the Minister of Labour or in his absence to the Prime Minister. These questions are based on a telegram just received from the mayor of Sudbury:

> Unless some relief work started in road camps here sure to be trouble. Some one thousand men congregated at relief office yesterday seeking assistance. Was in touch with Hon. D. A. Croll also Hon. P. Heenan by wire and they replied to effect that unless federal government assists impossible for camps to reopen. Will you please intercede?

The second part of the telegram reads:

> Will you please ascertain from the government what they contemplate in the housing scheme as the housing situation here very acute. Will appreciate reply.

My questions are: first, has the government taken any steps to assist in providing work for those men? Second, will the government take any steps to assist in relieving the housing situation in Sudbury?

Right Hon. R. B. BENNETT (Prime Minister): The federal government makes a large monthly payment to Ontario to assist that province in the discharge of its obligations in respect to unemployment.

With respect to the second question I suggest that my hon. friend advise his correspondent that he does not know; that he has endeavoured to ascertain but he cannot do so for the intention of the government as to the housing matter is not yet known and will not be until they have had a full opportunity to consider the report of the committee of the house and upon it frame legislation which has not yet been brought to the attention of the house.

Mr. HURTUBISE: How much does the government contribute to Ontario in that regard?

Mr BENNETT: As to the exact figure I have confusion in my mind as between Quebec and Ontario. I will communicate to the hon. gentleman what the figure is. My recollection is that it is $600,000.

Mr. POWER: That is for Quebec, a month.

Mr. BENNETT: Then it is $750,000 a month in the case of Ontario. It is a larger sum based on population.

BUSINESS OF THE HOUSE

On the orders of the day:

Mr. GEORGE W. McPHEE (Yorkton): As one of the private members of the house with very much concern as to when the session is to end, I would like to ask the Prime Minister whether the bills foreshadowed on to-day's orders of the day contain all the "new deal" set forth in the ethereal message that preceded the speech from the throne last January?

Right Hon. R. B. BENNETT (Prime Minister): There is no reason why the hon. gentleman should be offensive merely because he asks a question. The leader of the opposition (Mr. Mackenzie King) speaks for the party opposite, and I explained to him, in answer to a question which he very courteously asked the other day, just what the position was with respect to the legislation. I informed him that just as soon as I was in a position to make known to the house the further legislation it was proposed to introduce, I would do so. I might say that offensive observations from a private member

do not add to the strength of a party which is so ably led by the right hon. gentleman opposite.

LABOUR CONFERENCE

On the orders of the day:

Hon. ERNEST LAPOINTE (Quebec East): The press reports that the delegates of Canada to the international labour conference have sailed and one of them gave an interview outlining the program and mentioning the draft convention which is going to be considered there with regard to a forty hour week. I would like to know whether the delegates of the government of Canada have received instructions as to which stand they are going to take on that draft convention?

Right Hon. R. B. BENNETT (Prime Minister): No instructions have as yet been given.

UNEMPLOYED RETURNED SOLDIERS

On the orders of the day:

Mr. C. G. POWER (Quebec South): The Minister of Pensions and National Health is not in his place. May I ask the government when we may expect to have the report of the Hyndman commission on unemployed returned soldiers and whether it is proposed to bring down legislation in connection therewith?

Right Hon. R. B. BENNETT (Prime Minister): So far as I know, it has not yet been received.

PRIVILEGE—MR. SAUVE

On the orders of the day:

Hon. ARTHUR SAUVE (Postmaster General): On a question of privilege I wish to give some explanation respecting what the hon. member for Témiscouata (Mr. Pouliot) said yesterday, trying to incriminate me personally as having done something wrong or dishonest in the execution of works on the Rivière Jesus. I wish to establish that nothing is wrong in my conduct and that my conscience is clear. May I be permitted to express my regret that such an insinuation was made against me after my twenty-eight years of public life?

The dredging of the Rivière du Chêne was made at the repeated requests of the municipal authorities of St. Eustache and of the riparian farmers, and this without opposition, as it appears in a resolution passed by the municipal council of the village of St. Eustache on August 4, 1932, and also in a resolution passed by the municipal council of the county of Two Mountains on August 10, 1932.

The amount of $32,000, of which the hon. member for Témiscouata has spoken, was spent not only at the mouth of the Rivière du Chêne but over a mile in the river. The spoil of the river was placed on the adjoining land with the consent of the riparian owners less one: I refused to sign the document with other petitioners, but I did not object.

In regard to the spoil placed on the small island which I bought for $100 ten years ago so that I might cut trees which obstructed the view of the Rivière Jésus, as I had a right to do, it was placed there in the same way as it was placed elsewhere, because it would have been too expensive to carry it further, and this was done without any benefit or advantage to me. I objected to this spoil being placed around the island, which is a small one, because it would have enlarged it and also narrowed one of the outlets of the river. The spoil and the boulders placed on the island have made a confused accumulation which has depreciated the poor value of this little property of half an acre square. Last fall, after the work was done, I myself paid men for many days for the purpose of improving the appearance, but without success. I invite any hon. member to visit St. Eustache where he will be welcome, and see the situation, for I am sure he will admit that I am right and that it is ridiculous and mean to denounce me for such a small matter.

The engineers of the department have reported in view of other dredgings which were to be undertaken by the federal and provincial governments, that the dredging at the mouth of the Rivière du Chêne should be undertaken to facilitate the flow of the Rivière du Chêne into the Rivière Jesus. Similar works were done in this river nearly thirty years ago.

Knowing the needs of the locality, I considered that in the circumstances I had not to object to the demands of the citizens of the village as formulated by the municipal council and that I had not to sell my property on account of these works or to place elsewhere the unfortunate island.

I ask permission to give Hansard copies of both these municipal resolutions that I have mentioned in the course of my remarks.

Mr. SPEAKER: The hon. minister may not put the resolutions on the record in the manner proposed.

Mr. SAUVE: I can read them?

Mr. SPEAKER: If the hon. minister will permit I would point out that the debate on this measure will I assume continue this

afternoon as intimated yesterday, and he will have opportunity then of placing the resolutions on the record in the regular way.

Mr. SAUVE: I have no objection.

PUBLIC WORKS PROGRAM

WORKS, UNDERTAKINGS AND GUARANTEE OF RAILWAY EQUIPMENT SECURITIES TO CREATE EMPLOYMENT

The house resumed from Wednesday, May 22, consideration in committee of Bill No. 63, to create employment by public works and undertakings throughout Canada and to authorize the guarantee of certain railway equipment securities—Mr. Stewart (Leeds)—Mr. Morand in the chair.

On schedule A, item 9—Harbours and rivers generally, $2,500,000.

Mr. POULIOT: I have been most lenient with the hon. Postmaster General (Mr. Sauvé). I could have objected to his question of privilege, because it was not a question of privilege. My remarks will be made in a very moderate tone, in view of the fact that the Minister of Public Works (Mr. Stewart) has given me most of the available information on the matter, and he knows that personally I have a high regard for him. One thing that I have appreciated in the remarks of the Postmaster General is that he has largely confirmed what I have said. He is the owner of an island, which he purchased ten years ago for $100. The amount he paid is none of our business. But what interests us is the amount of public money which has been spent in digging and filling there. It would be an extravagance to spend $1,000 for a property which is worth only $100. But the committee will learn through the Minister of Public Works himself what amount of public money has been spent in digging and filling around the island which belongs to the Postmaster General. I wonder if it is "Treasure island." But after we are through with the matter the committee will see that it is not a virgin island.

I am sure that the Minister of Public Works has the file relating to this expenditure since 1930, as he has already given it to the house in a sessional paper. Let us go back to the first of October, 1930. At page 289 of the return No. 350C of May 20, that is Monday last, there is shown an expenditure of $5,000 for hand dredging at the mouth of the du Chêne river to remove rocks. May I ask the Minister of Public Works if that money was spent under and by virtue of the act of 1931?

[Mr. Speaker.]

Mr. STEWART (Leeds): I am sorry that with the conversation that is going on I did not get the first part of my hon. friend's question. Will he repeat it?

Mr. POULIOT: I am referring to the file, sessional paper 350C, reference 259. I draw attention to the last page of it, there is mentioned an expenditure of $5,000 for hand dreging at the Rivière du Chêne to remove rocks. Was that money expended that year or while that act was in force?

Mr. STEWART (Leeds): This item was not expended under the Public Works Construction Act of last year. It was expended out of a general vote partly.

Mr. POULIOT: The answer of the minister is correct, because according to the letter of the chief engineer that money was spent. Let us come now to 1932, page 285.

Mr. STEWART (Leeds): I think that item was spent under the provisions of the Unemployment and Farm Relief Act, 1931.

Mr. POULIOT: It is immaterial. I am checking the amount of expenditure, because the Postmaster General has said it was a little thing. I want to know the amount that has been spent. We have $5,000. Now at pages 285-6, a report from the district engineer to the chief engineer, dated May 13, there is another expenditure of $3,234. Was that money expended on the same thing?

Mr. STEWART (Leeds): It is impossible to allocate to any particular area any item of expenditure. This work was done as a whole, covering approximately a mile at the mouth of this river. The total amount expended was somewhere about $32,000 as given to my hon. friend, but to say what amount was spent in any particular section is impossible. That is the total expenditure. The work was done as a whole and not on a yardage basis.

Mr. POULIOT: Therefore that money, $3,234 was spent?

Mr. STEWART (Leeds): It is part of the expenditure that year in that area of a mile long.

Mr. POULIOT: In that vicinity. Now there is at page 281 another amount of $14,000 about a sewage system in that vicinity. It relates to removing fifty private sewer pipes. So up to now we have an amount of $8,234 for 1931-32, and the report of this district engineer to the chief engineer reads as follows:

I beg to let you know that with the money available for the unemployment relief we started to drill and blast a channel at the junction of Rivière du Chêne with Rivière Jesus.... The balance of the appropriation

was spent to complete the study of Rivière du Chêne, and also in making a complete study of the sewerage system of St. Eustache which empties now into that part of Rivière du Chêne which is needed to be dredged. In order to permit the dredging as far as the dam where navigation ceases to exist, it will be necessary to remove some fifty private sewer pipes which empty into this river, and which pollute this river....

All these surveys were rushed to completion during the last weeks of February in order to secure all the information that was necessary in order to permit a complete report on the drainage of this county, and the full appropriation of $14,000 was used up in securing the necessary information.

May I ask the minister if that sum of $14,000 was spent in connection with fifty private sewers?

Mr. STEWART (Leeds): I have not the report before me but I am sure my hon. friend is not interpreting it properly. There was no such expenditure made in connection with private sewers at all. That is the total expenditure in that area.

Mr. POULIOT: I do not understand the wording of the letter:

The full appropriation of $14,000 was used up in securing the necessary information.

Was the sum of $14,000 used by the Department of Public Works to get some information in connection with those sewers?

Mr. STEWART (Leeds): No, that is not the meaning of the report at all. The expenditures in the different years were as follows: for 1931-32, $4,955.26, out of the unemployment and farm relief vote; for 1932-33, $10,271.38, out of the general vote; for 1933-34, $17,561.87, out of the general vote. That makes up the $32,000 to which my hon. friend refers. That was the cost of all the work done in that area of a mile or so in length, including surveys, dredging and all the work done up to that time.

Mr. POULIOT: This shows more than the minister mentioned at page 2375 of Hansard where he said the total cost was only $18,139.81. Actually it was $14,000 more, but let us proceed a little further. Will the minister admit that the expenditure for that work was first intended for the improvement of the sewage system?

Mr. STEWART (Leeds): No, it was to improve the navigation of the river for about a mile from its mouth, to take care of an increased flow of water brought about at that point by work done in cooperation between the province and the dominion, and to improve the channel. The work above the dam cost about $47,000, which was contributed equally by the province of Quebec and the dominion.

Mr. POULIOT: We will come to that later on. Now I want to know from the hon. gentleman why the sewage question was referred to by his department if it was actually of no importance. I cannot understand that.

Mr. STEWART (Leeds): The only reason for reference to the sewage system was that in the dredging that was done the outflow of these sewers would be interfered with, so the question had to be taken into consideration. That was all.

Mr. POULIOT: At page 266 of the same return an expenditure of $55,000 is mentioned. May I ask the hon. gentleman if that money was expended later on, in that same locality?

Mr. STEWART (Leeds): The estimated cost of the work above the dam was as my hon. friend has stated from the report, as I recall it, about $55,000. The work was performed for about $46,000 or $47,000.

Mr. POULIOT: That was a joint expenditure by the federal government and the province of Quebec?

Mr. STEWART (Leeds): Exactly.

Mr. POULIOT: At page 263 of the return I find the following communication from the chief engineer to the Deputy Minister of Public Works, dated May 31, 1932:

To complete the above scheme of improvements in Rivière du Chêne, it would be necessary to improve also Rivière du Prince, Rivière du Sud and Belle Rivière, but the district engineer advises that the expense of carrying on these further improvements will not be very great, and he will be able to report further in the matter very shortly.

May I ask the minister if the true construction of this letter is this: after that dredging was done in Rivière du Chêne, other work had to be done at Rivière du Prince, Rivière du Sud and Belle Rivière, and if that work had not been done in Rivière du Chêne the further work would not have been required at these other three places?

Mr. STEWART (Leeds): It is quite the other way around. The works to which my hon. friend now refers are those beyond the area in which work was done in cooperation with the province of Quebec. These works are further up the stream, probably a mile up from the dam. That work has not been undertaken as yet; the province of Quebec has not agreed to assume half the cost of improving

the tributaries of the river above the dam, but the work that is to be done has no connection whatever with the work that was done at the mouth of the Rivière du Chêne, and is not in any way caused by it. It is much further up the stream.

Mr. POULIOT: Did the minister take this matter under consideration at the request of anyone else than the Postmaster General, at first? Who first spoke to the minister about it?

Mr. STEWART (Leeds): The request for this work was received from the municipality.

Mr. POULIOT: The minister knows this plan which I hold in my hand in which is shown that famous island to which I have already referred.

Mr. SAUVE: That is the blueprint.

Mr. POULIOT: Mr. Chairman, I would ask the Postmaster General to be decent enough not to interrupt, but to treat this matter seriously because it is a serious matter. I ask him to keep quiet until I am through, and then I shall be very much surprised if the Prime Minister decides to appoint him to the Senate as he has decided to do; in fact I will challenge the Prime Minister then to appoint him. I would ask the Postmaster General not to get excited and not to pose as a martyr, and then after I am through I will challenge the Prime Minister to appoint him to the Senate in defiance of the wishes of the people of Canada. I ask him to keep quiet and wait patiently, and then when I am through he certainly will be through. I serve that as a notice to him. I would like his electors of Two Mountains to be here in the gallery to see the light way in which the Postmaster General considers the expenditure of public money on a property which belongs to himself and what it has cost this country to give a value of over $30,000 to a small island for which the Postmaster General paid only $100.

Mr. SAUVE: I do not care.

Mr. POULIOT: I know he does not care, and that is why I care so much, Mr. Chairman. I am sorry for him.

Mr. SAUVE: I do not change my judgment for your sake.

Mr. POULIOT: Mr. Chairman, the more the Postmaster General speaks the deeper he gets himself into the hole. Here I have the plan, Mr. Chairman, showing the island in the middle of that yellow and red ribbon. It shows the dredging which has been done around the island. May I ask the hon. Minister of Public Works if a small stream which is less than one foot deep in most places can be considered as a navigable river under the jurisdiction of the federal government?

Mr. STEWART (Leeds): Conditions at the mouth of a river, as my hon. friend knows, change from time to time, and very often we find that a river that is undoubtedly navigable and has been navigable for years, becomes filled up with silt and sediment which becomes so spread out that there is comparatively a very, very shallow depth of water over a wide area. Work was done many years ago on this section of the river. The depth of water at a particular time does not determine the character of a river so far as navigation is concerned. We have to dredge every year to keep open the mouths of rivers that are undoubtedly navigable and which become silted up. The engineer says that up to the dam this is a navigable river. That is the point at which the dredging ceased.

Mr. POULIOT: If the hon. gentleman is so sure that the federal government has any jurisdiction there how is it that his department has given instructions to the engineer there, according to the return, to get in touch with the riparian owners in order to get their consent before any rocks can be put on their land.

Mr. STEWART (Leeds): I could answer my hon. friend by saying that a river although navigable does not give the crown the right when it dredges that stream to deposit spoil on the adjoining land of a riparian owner, and without getting his consent the crown would be liable for damages, or we would have to take the spoil away out and deposit it in another place. So, where we can do so, we get the consent of the adjoining owners to put the spoil on the bank because it decreases the cost of the dredging. That is what was done in this case with the object of keeping the cost of the work down and avoiding any possible claim for damages. The regular dredging in this river to make it navigable was with the consent of all the owners on the adjoining land.

Mr. POULIOT: Mr. Chairman, this river is such a navigable river that the boats which are used on it are wheelbarrows. According to the other plan the rocks and stones were removed from the bottom of the stream to the island belonging to the hon. Postmaster General in wheelbarrows, and this is the first time in my life that I have heard a river is navigable because one may cross it in a wheelbarrow. I would ask the Minister of

Public Works to be serious because this is an important matter and it will show the Canadian people how their money goes, how it goes into the water.

I may take it for granted then that the red and yellow ribbon around the island shows the dredging which has been done around the small island which was purchased ten years ago by the Postmaster General at a cost of $100, and for the improvement and beautification of which the Canadian exchequer has paid $32,000. If we take for granted what the Minister of Public Works has said about the deepening for navigation purposes we have around the island in the middle of that ribbon these depths of water: $\frac{8}{10}$ of a foot; $\frac{7}{10}$ of a foot; $\frac{3}{10}$ of a foot; $\frac{2}{10}$ of a foot; $\frac{4}{10}$ of a foot; one foot; one foot 2 inches; 2 feet; 2 feet 4 inches; 2 feet 2 inches; one foot 6 inches; $\frac{9}{10}$ of a foot; one foot; one foot; 2 feet 3 inches; 1 foot 4 inches.

Mr. STEWART (Leeds): Mr. Chairman, I think the depths given by my hon. friend are those before the dredging was started, not after.

Mr. POULIOT: Possibly so, but now I will read to the committee the depths on the outside part of this river, the depths after the deepening: 2 feet 2 inches; 2 feet 5 inches; 1 foot 6 inches; one foot 8 inches; one foot; $\frac{9}{10}$ of a foot; then there is one foot, but it is outside of the line, and also outside of the line $\frac{2}{10}$ of a foot; inside of the line $\frac{2}{10}$ of a foot; $\frac{6}{10}$ of a foot; $\frac{9}{10}$ of a foot; one foot 2 inches; one foot 5 inches; 2 feet; 2 feet 4 inches; 2 feet 8 inches; 2 feet; 3 feet 3 inches; 2 feet 2 inches; 4 feet; 2 feet 5 inches; one foot; one foot; 2 feet 3 inches. It is incredible that the Normandie and the Queen Mary will come up this navigable river. The Minister of Marine told his electors of 1930 that the harbour of Montreal would be closed and the business of the port transferred across the river to his own constituency. Apparently the Postmaster General is jealous of his colleague the Minister of Marine and he wants to have all the vessels which usually call at Montreal call at his constituency. This would add considerable value to the island for which he paid $100 ten years ago. I have no doubt that the Minister of Public Works will admit that most of the rocks taken from this island were carried in wheelbarrows.

Mr. STEWART (Leeds): My information is that some hand dredging was done. The soil taken from the channel was placed on the side and then handled in some other way, perhaps with wheelbarrows, but the dredging was not done with wheelbarrows.

Mr. POULIOT: At page 231 of the return there is a letter from the district engineer to the chief engineer, dated July 15, which reads:

> These additional improvements will be of a great benefit to the small navigation at this point of the river, and for this purpose, I do recommend the approval of same.

How deep is the channel since it has been dredged?

Mr. STEWART (Leeds): Three feet.

Mr. POULIOT: In addition to wheelbarrows, what kind of craft can navigate that channel?

Mr. STEWART (Leeds): Motor boats, sailboats, rowboats, canoes and any kind of boat that can navigate in three or four feet of water.

Mr. POULIOT: They would have to have flat bottoms as there would be no room for a screw. A sum of $900 was mentioned, in a letter from the district engineer to the chief engineer dated July 25, as having been authorized for the removal of boulders from the Rivière du Chêne. Is that amount in excess of the $32,000 mentioned by the minister?

Mr. STEWART (Leeds): Any expenditure during that period covered by the return would be included in the amount given.

Mr. POULIOT: That is not the straightforward answer usually given by the minister. I want to know if that $900 was in excess of the $32,000.

Mr. STEWART (Leeds): I have not a copy of the return before me. Could my hon. friend give me the date when that expenditure was made?

Mr. POULIOT: I have given it once but I will give it again; it was made on July 25, 1932.

Mr. STEWART (Leeds): Undoubtedly that would be included in the items I have mentioned.

Mr. POULIOT: Will the minister admit that there was some objection raised by the Quebec government to the dredging done there in 1932?

Mr. STEWART (Leeds): The Quebec government contributed to the work done above the dam but they took the position that

they would not contribute to the work done below the dam. They stated that was for navigation purposes only and that they should not be asked to make a contribution. They made no other objection that I know of.

Mr. POULIOT: On page 131 is a letter dated October 24, 1932, from the deputy minister of agriculture of Quebec to the minister's deputy, and reading:

(Translation):

I am sending you herewith a report from Messrs. Picard and Clerk, requesting that the dredging operations be started in the rapids, running from station 96.00 to station 116.00, and be continued upstream at each place indicated in the longitudinal section.

They further claim that part of the work, as projected in your department's plan, is useless for the draining of farm lands.

Should your engineers confirm this report, I trust that you will kindly give instructions accordingly.

I am sending a copy of this letter to Mr. Dansereau.

Yours truly,

J. Antonio Grenier,

Deputy Minister of Agriculture.

Messrs Picard and Clerk had drafted the following memorandum for Mr. Grenier, the deputy minister.

Rivière du Chêne

We are informed that the contractor carrying out the work on this river is to start in that section included between stations 0.00 and 16.00, as per longitudinal section, and its extension in the river Jesus.

The level of the water, in that section, is between 73.4 and 65.8 whereas it is 81.85 at the top of the dam, situated at station 16.00, above said section. The dam, according to the plan, does not do any harm; consequently, the part below, which is much lower than the dam itself, cannot in any way hinder the draining of the waters.

We consider that this part of the work, as outlined in the plan of the dominion government, is absolutely useless for the draining of farm lands and we are completely opposed to its being carried out.

The Department of Agriculture in Quebec stated that that dredging was absolutely useless and a protest was made by the Quebec government. The minister must have a translation of that letter which I just read.

Mr. STEWART (Leeds): I do not have it before me, either in French or in English.

Mr. POULIOT: Apparently the minister has brought only the information which suited him; what did not suit him he left behind in the files. He is not usually like that. He has stated there was no protest but I have just read one from the Department of Agriculture of Quebec which stated that this dredging was not needed for the drainage of the farmers' lands in the vicinity.

[Mr. H. A. Stewart.]

Mr. STEWART (Leeds): Exactly, because this was below the dam. This was not part of the scheme that they had in mind; the work they were doing was above the dam.

Mr. POULIOT: Exactly. They protested that it was of no use to the farmer. An amount of $55,000 has been spent jointly by the federal and provincial governments upon the request and for the pleasure of the Postmaster General. This large amount has been spent to beautify his property. The Quebec government has stated that it was absolutely needless to mine boulders or remove stones in the lower part of the river where the Postmaster General has his island. This work was condemned by the Quebec government and the minister has just admitted that fact.

Here is a letter from the assistant chief engineer of the Department of Public Works to the district engineer, dated November 26, 1932. It will be found at page 124 of the file:

I have your letter of the 24th instant referring to the communication from Mr. Antonio Grenier, Deputy Minister of Agriculture, Quebec, dated 24th October, concerning his department's present attitude towards that portion of the river du chêne work under contract which he considers not essential to the lrainage scheme and located between the dam and river Jesus. It is noted you recommend that the department stand the cost of improving this lower reach of the river, as it interests navigation more than drainage. I note also that you have a letter from the town of St. Eustache, requesting the enlargement of the channel, and I wish to refer to the last two paragraphs of your report.

Strong protest was coming from the Quebec government in regard to the matter. On page 119 there is a memorandum prepared by the assistant chief engineer for the deputy minister, dated December 16, 1932, in which he said:

It must be admitted however that the point raised by Messrs. Picard & Clark in their report of October 22 is well taken.

It is admitted by one of the chief officials of the Minister of Public Works that the objection of Picard and Clark to dredging below the dam in the vicinity of the island belonging to the Postmaster General was well taken.

Mr. STEWART (Leeds): It was a matter of navigation and not one in which they should make a contribution.

Mr. POULIOT: But the hon. gentleman said at first that that dredging was done for navigation purposes, and now he admits implicitly that there was no navigation at all and that the point raised by the Quebec government

was well taken. He cannot get away from it; he knows very well that it is an absurd expenditure. The statement continues:

The dam in question at elevation 81.85 is not considered as an obstruction in the drainage improvement scheme under contract, and consequently the stretch of the river downstream at a lower elevation than the dam cannot affect drainage of the agricultural lands above the dam.

It was of no use at all to the community. Turning to page 115 we find an expenditure of $7,609.98 mentioned. This is dated January 20, and is an estimate. At page 113 the estimate amounts to $8,604.34. At page 111 that estimate is mentioned as cumulative, and at page 110 it increases to $9,279.57. At page 105 the contractors, the Gravelle Construction Company, complain of being ill treated, describing the nature of the material which has to be carried away, and the statement is made that it was harder to remove than rocks. I quote:

(Translation):

We have come across material harder to remove than rock. This material consists of gravel mixed with big stones and cemented together with a very hard clay. We have to use dynamite, pipes, and compressed air, to remove this material, the same as for rock excavation. We succeed in removing a small quantity of this material every day at a much higher cost to us.

And he adds:

At page 102 the original estimate of $7,609.98 goes up to $10,858.28. May I ask the Minister of Public Works whether this item is included in the $32,000 which he mentioned before?

Mr. STEWART (Leeds): What was the date of the expenditure?

Mr. POULIOT: The estimate is dated April 10, 1933, the communication being from the secretary of the department to Mr. Forest, secretary treasurer of the county of Deux-Montagnes.

Mr. STEWART (Leeds): What was the amount?

Mr. POULIOT: It is $10,858.28.

Mr. STEWART (Leeds): My hon. friend is reading from a return which is paged. I have just now received a copy from the office but it is not paged. What is the date?

Mr. POULIOT: April 10, 1933, a letter from Mr. Desjardins, secretary of the department, to Mr. Forest, secretary treasurer of the county of Deux-Montagnes.

Mr. STEWART (Leeds): That apparently refers to the work that was being done jointly because it was sent to the province of Quebec also.

Mr. POULIOT: At page 97 there is a letter from the district engineer to the chief engineer, dated May 4, 1933, in which he says:

This cleaning is to accommodate small crafts or light navigation, and the cut on both sides of the river is to permit free access to the shore to small embarkations and also to permit the free flowing of the sewers of the municipality of St. Eustache.

It is surprising that the district engineer attached so much importance to the sewers of the municipality when the minister said it had nothing to do with the matter. According to that letter of May 4 the estimated cost is $6,800. Was that money spent besides the amount already mentioned by the minister for Rivière du Chêne?

Mr. STEWART (Leeds): The letter my hon. friend reads is an estimate given by the district engineer on certain work, and whatever was done, whether all or a portion of it, is included in the 1933-34 total expenditure of $17,561.87. That would include whatever portion of work referred to in this estimate was performed in that year.

Mr. POULIOT: If the minister will turn to a letter dated May 16 from the chief engineer to the district engineer, he will see that the chief engineer says:

—the estimated cost of which you place at $6,800, I would point out that this is $2,000 in excess of the amount of $4,800 previously noted for this work as a charge against the dredging vote of "Ontario and Quebec."

Who was asking the minister to put that amount in the estimates?

Mr. STEWART (Leeds): The district engineer was reporting to the chief engineer as to what was required in connection with this work. The letter from which my hon. friend is reading and which is dated May 16, 1933, is from Mr. Corriveau to the district engineer.

Mr. POULIOT: And the Postmaster General never spoke to his colleague the Minister of Public Works about the matter? Do I understand my hon. friend to say that?

Mr. STEWART (Leeds): It would be strange indeed if the Postmaster General were not sufficiently interested in his constituency and in the welfare of the people there to

speak to the minister in charge of a work that was being carried on in his riding. Undoubtedly he spoke to me and made representations about it from time to time .

Mr. POULIOT: That is all right, but the Minister of Public Works did not know before that the island around which such dredging was being done belonged to the Postmaster General.

Mr. STEWART (Leeds): That was a detail I knew nothing about, was not concerned with, and it really did not make any difference to the carrying on of this work. The object was not the improvement or the beautification of the island. It is a question whether the island has been benefited at all; it is a question whether it has not been damaged. The beautification of the island did not enter into the matter. My hon. friend says that $28,000 was spent for the beautification of an island. I am sure he has made a mistake in that. An amount of $32,000 was spent for dredging a mile of this river, and only a very small portion of the spoil was placed around this island. The island or what happened to it was not under consideration in the scheme at all; it had nothing to do with the initiation of the work. The work was not initiated at the request of the Postmaster General or with any idea whatever of beautifying the island. The purpose was to improve the navigation at the outlet of the river.

Mr. SAUVE: The island for which I paid $100 I offer to the hon. member for Témiscouata for $25—condition, cash. Is it accepted?

Mr. POULIOT: The work was done at the mouth of the Rivière du Chêne where there is a very extensive delta. If the minister says it has cost nothing, how is it that the Minister of Public Works has stated to the House of Commons as reported at page 2375 of Hansard that the expenditure was $18,139.81? That is much above $25.

Let us now turn to page 89, to a letter dated November 13, 1932, from the chief engineer to the district engineer:

> An amount not exceeding $20 to check out some soundings in Rivière du Chêne, P.Q., the amount to be charged to encumbrance L. 24-1 already issued.

It was an encumbrance. The island was an encumbrance.

Mr. STEWART (Leeds): No; the word "encumbrance" there means a charge against the vote.

[Mr. C. A. Stewart.]

Mr. POULIOT: But as everyone can see, the island itself has been an encumbrance to the country.

Let us turn to page 87, a letter from the chief engineer to the district engineer which is partly quoted and one paragraph of which reads:

> It will not be possible to proceed with the work should funds be granted unless the site has been acquired by the crown in the right of the dominion. It will be necessary to have plans and descriptions by metes and bounds, in quadruplicate, and to have agreements of sale and transfer from the owner where the site is not crown property. This should be put under way so not to delay the prosecution of the work.

There was also a list of riparian owners which was secured by the department, and the chief engineer wrote to the district engineer on March 25, 1934:

> In this connection, would there not be objection on the part of the riparian property owners to permit casting over objectionable material, such as sewage, weeds, etc.?

On March 27, 1934, the chief engineer wrote again to the district engineer in that connection.

On March 28 Mr. Marion of the district engineer's office was at St. Eustache trying to obtain the necessary release for all riparian owners whose properties would be affected.

Besides that there was a list of the riparian owners and several names are given. On March 28, 1934, they signed a paper to the effect that they were allowing the work to be proceeded with. I see that the Postmaster General's name is mentioned in the report from the district engineer, as follows:

> The Hon. Mr. Sauvé, owner of lot No. 22 did not sign the release, but has stated verbally to Mr. Marion that he was approving the proposed dredging and would not claim any damage if his property was to suffer from the proposed dredging.

Did the colleague of the Minister of Public Works ever tell him that the island was his when he asked for dredging?

Mr. STEWART (Leeds): There was no discussion whatever as to the ownership of the island or of any of the adjoining land.

Mr. POULIOT: The hon. gentleman is evading my question. I am not asking if there was discussion. I know very well my hon. friends are on friendly terms.

Mr. STEWART (Leeds): I mean to say that there was no discussion with the Postmaster General, nor did he ever tell me anything about it.

Mr. POULIOT: Does the minister state that in the case of this island shown on the plan circled with yellow and red ribbon, when he was asked to spend $32,000 for dredging a small stream at some places less than 3·23 feet and at others less than 1·2 feet, the Postmaster General did not mention that that very island was his own? The minister was not curious enough to ask who was the owner of the island, he never thought of asking that? Did the minister look at the plan before agreeing to that?

Mr. STEWART (Leeds): I did not see the plan at all, did not know whether there was an island in the river.

Mr. POULIOT: It was accepted with closed eyes. Well, I am surprised. I thought the minister was more of a business man than that. According to the rules of the house I am bound to take his word, but I do not understand how a responsible minister of the crown would decide to order such an expenditure in such a place without getting more information. The only reason he did it was out of friendship and love for his colleague! That would be an admirable thing in the present government under different circumstances, but to waste public money to such an extent is incredible and inconceivable. The minister has said he had spoken many a time with the Postmaster General about it, I do not see how he did not know that the island was his.

Sir, I could have raised a question of privilege about the answer which was given yesterday by the Minister of Public Works when I asked who was the owner of that island. He said, "No information on file." His memory is not on file, but I am sure that in his memory he knew all the time that the Postmaster General was the owner of that island. Does he say yes or no?

Mr. STEWART (Leeds): I repeat to my hon. friend that it was not necessary that I should know, there was no reason why I should inquire. Details of that character are left to the engineer. Until my hon. friend stirred up this matter I never had any information that the island belonged to the Postmaster General.

Mr. POULIOT: All right. Suppose for a moment that the minister did not know it was the Postmaster General's island. If he had known that at the time would he have authorized the work just the same, or would he have refused it?

Mr. STEWART (Leeds): It would not have made a particle of difference, because this was a dredging scheme for the improvement of a mile of river for the benefit of the people of the village of St. Eustache, and it made no difference to me who owned the property.

Mr. POULIOT: May I ask the minister why he gave that answer, "No information on file"? I know very well that the file has been cooked, but, "No information on file." Usually when the government has no information they say "No information," and stop, finish. Why did he put "No information on file"?

Mr. STEWART (Leeds): I say to my hon. friend that the file has not been cooked in any sense, and that there is no information on the file as to who owns that island.

Mr. POULIOT: Then I am sure the minister will have no objection to me comparing the file he has given with the original file in his department. I will go right after dinner and compare it with the file I have now. There is not a single letter from the Postmaster General on this, but he admitted that the Postmaster General had spoken to him often about it, and he knows very well there are letters of the Postmaster General on file in his department, whether on the file that has been copied or not.

Not only that, what amount has been paid for a tug? The minister knows very well that the extraordinary large amount of $150 a day has been paid for a tug to complete that dredging. It was to carry the rock that was put on the island. One hundred and fifty dollars a day, and the minister will not deny it, because it is on record.

Mr. STEWART (Leeds): I think I should correct my hon. friend there. He says $150 a day was paid for a tug. The fact is that $150 a day was paid for the whole plant, one and a quarter bucket dredge, fully manned, equipped and fuelled. Rent of plant and operation, with men and fuel.

Mr. POULIOT: But it was $150 a day just the same.

Mr. STEWART (Leeds): Well, that is all right.

Mr. POULIOT: Was it $150 a day, or was it 5 cents? Each day for that work the country was paying $50 more than the Postmaster General had paid for his island. Each day that part of the dredging was proceedings—

Mr. STEWART (Leeds): I think my hon. friend should have stated that the total estimated expenditure in that connection was only $7,000, and that had not anything to do with the island at all.

Mr. POULIOT: Even $5 for nothing would be too much. But it is $7,000. How many people could be relieved with that sum? It is a huge amount. But the minister finds it nothing. The tug has been there quite a number of days.

Furthermore this expenditure was approved by the privy council on April 21, 1934. There is ministerial responsibility in the matter. The Minister of Public Works is not the only one to be blamed, but all the members of the government, on account of that extravagant expenditure being approved by order in council.

Might I ask the minister if that sum of $7,000 was included in the amount of $32,000 already mentioned.

Mr. STEWART (Leeds): Yes, that is included in the total I have given.

Mr. POULIOT: At page 4 there is another item of $8,414.90. I understand it is that $7,000 plus $1,414.90. Was that amount of $1,414.90 included in the $32,000?

Mr. STEWART (Leeds): In some instances my hon. friend is giving estimated expenditures. That $7,000 is stated as the estimated total cost of rental of that plant. Whether the amount of $7,000 was consumed or not I do not know; but whatever amount was paid for the work done by that plant is included in the total I have given. In some cases my friend is giving estimates and in other cases actual expenditures. But the amount I have given is the total expenditure.

Mr. POULIOT: This is an expenditure mentioned in the memorandum from the acting chief engineer to the deputy minister, October 13, 1934, page 4 of the file. It does not appear here as an estimate, it appears here as an actual expenditure. I want to know if that amount of $1,414 was in excess of the $32,000 already mentioned.

Mr. STEWART (Leeds): The amount is not in excess of the $32,000, it is included.

Mr. POULIOT: The Postmaster General has said that this work was done at the request of the county council. At page 266 of the return I find a letter from the district engineer to the chief engineer, under date of May 27, 1932:

> Would you kindly authorize me to do so in order that I may assure the Hon. Mr. Sauvé that we are making as much progress as possible with this work.

At page 241 there is another letter, also from the district engineer to the chief engineer, dated July 7, 1932, as follows:

> ... but the Hon. Mr. Sauvé wishes that the river be cleaned out for navigation purposes, from the entrance to the dam, and the material removed by scows.

At page 238 the district engineer writes the chief engineer under date of July 8, 1932:

> ... we have to modify our first proposal in order to meet the wish of the Hon. Mr. Sauvé and the citizens of St. Eustache.

From correspondence appearing at page 195, between the secretary treasurer of the county council and the Postmaster General, it would appear that the Postmaster General had written to the council saying that the performance of this work was a very good thing for the farmers of Two Mountains. That view was not shared by the Quebec Department of Agriculture, later on. I have already read the two letters appearing at page 171, from the Postmaster General, one to the warden of the county and the other to the secretary, with regard to the extension of the dredging works in that stream.

Mr. STEWART (Leeds): What were the dates, please?

Mr. POULIOT: It is the report of a meeting of the council which was sent to the Minister of Public Works on August 29. Then at page 127 a letter under date of November 24, 1932, was sent by the town of St. Eustache to the Postmaster General with regard to enlarging the proposed channel. At page 199 there is a letter from the district engineer to the chief engineer under date of April 24, 1933, in which he says:

> I want to discuss this matter with the Hon. Mr. Sauvé.

That was with regard to the dredging of Rivière du Chêne below the dam at St. Eustache, near the island. Letters appearing at pages 67 and 68, dated March 28 and April 4, 1934, refer to riparian and owners' rights and the fact that the Postmaster General had not signed the form.

Sir, the case is nearly complete. We have the island; we have the plan, and we know very well that the island belongs to the Postmaster General. He has admitted that. This island has little or no practical value; it is worth only $100. The government have spent some $32,000 in that vicinity, which has been a pure waste of the money of the people. This island that belongs to the Postmaster General may have been beautified, but this expenditure has no raison d'etre at all. In addition to that expenditure of $32,000, and because of that expenditure, the federal and provincial governments have spent another $50,000 or more for dredging somewhere else

As a matter of fact the total amount spent in that vicinity is about $87,000, all for an island which cost the Postmaster General only $100 not long ago. It is incredible that in these times of stress the government should waste such an enormous sum of money just for the pleasure and enjoyment of one man.

The other day I said that in reading the debates of confederation, for instance, and those of some years ago, we saw the care formerly taken by those in charge of the business of the country with regard to the expenditure of public money. They were very careful in that regard, but now I feel sorry that the Minister of Public Works has approved such an expenditure as this. I am even more sorry that the Postmaster General takes it so lightly. It will be hard for him to explain to his electors. Since he has shown so little concern about public business I do not see how the Prime Minister will be able to reward the hon. gentleman by appointing him to the Senate, as he has boasted will happen. I do not see how a man can be rewarded for having recommended such a wasteful expenditure. I do not see how the Prime Minister and his colleagues can agree to recommend such a person to go to the Senate as a reward for wasting nearly $100,000 of public money in order to beautify and improve an island for which he paid only $100 some years ago. This is why we have a tax on sugar, but the sugar tax collected in the county of Two Mountains would not be sufficient to cover that expenditure. All the money paid by the good people of Two Mountains and Témiscouata under that sugar tax would not be sufficient to cover this expenditure. I am sorry to think that good, earnest, reliable Canadian citizens should suffer the burden of taxation to such an extent in order to beautify the property of a minister. It is shameful, as the minister knows, and I am sure he has enough common sense and good judgment to admit it. I am not speaking of the Postmaster General but of the Minister of Public Works. After he thinks it over he will see that it is impossible for any of the cabinet ministers to approve the appointment of the Postmaster General to the Senate.

Mr. BRASSET: I should like to ask the minister a question. For the last few years I have asked him to spend a few dollars on some small rivers in my constituency. Under the Liberal regime and before 1930 I understand that a sum of several thousand dollars was spent every year to remove boulders in the district of Gaspé in small rivers where fishing boats were operating all the year round, but I have received a letter from the deputy minister saying that this amount is no longer provided and that there was no money appropriated for the removal of boulders. In view of that I was very much surprised to see that at the point which has just been mentioned by my hon. friend from Témiscouata (Mr. Pouliot) several thousands of dollars were spent for removal of boulders at a point where such work was not necessary for navigation, and at the same time I was refused money for the removal of boulders in the county of Gaspé where the work would have been of benefit to fishermen who are using boats there all the year round. I would ask the minister if he will not agree to spend some money for the removal of these boulders down in Gaspé. The work is very much needed and unless it is done some of these harbours will be completely blocked and the fishermen cannot continue fishing.

Mr. STEWART (Leeds): My hon. friend is right when he says that for some years a special item of $5,000 or something like that—

Mr. BRASSET: It was $8,000.

Mr. STEWART (Leeds):—was inserted in the estimates and earmarked for the removal of boulders. That item was not continued, but nevertheless where representations have been made to the department, boulders have in some cases been removed where the reports seemed to indicate that it was necessary and appropriate to have that done, but there has been no specific vote for that purpose. The work has been done out of the general vote. I think my hon. friend will agree that the expenditures in many places in the county of Gaspé have been pretty generous, and perhaps my hon. friend would be surprised if I gave him the total.

Mr. BRASSET: May I ask at what places boulders were removed in the county of Gaspé?

Mr. STEWART (Leeds): I cannot say now but I can get that information for my hon. friend.

Mr. BRASSET: With the amounts in each case?

Mr. STEWART (Leeds): Yes.

Mr. REID: I would like to make a suggestion to the hon. minister. Under the allocation of $300,000 for work in the Fraser river I understand that a certain scheme of work was proposed which has been altered somewhat, and at the moment I believe only some $55,000 has been designated for certain work. I would suggest to the minister that in spending the remainder he take into consideration

the advisability of having a new modern dredge constructed for the Fraser river. The two old dredges there have done very good service but as the minister knows, developments are taking place in that river and the area to be covered now is much more extensive than it was in years past, and I would respectfully suggest that the minister consider the advisability of constructing a modern dredge. It would provide lots of work in the yards, and after construction would certainly fill a long-felt want in the matter of dredging in the Fraser river.

Mr. STEWART (Leeds): Mr. Chairman, my hon. friend is very familiar with the conditions in the Fraser river, and very much interested in its development and the welfare of the people who live there. The dredging there has been a difficult problem. It has been continuous work and we have two dredges that are working there, as my hon. friend says, almost all the time. I believe that a modern suction dredge suitable for that work, such as my hon. friend suggests, would cost in the neighborhood of half a million dollars, $400,000 in any event, and with the pressure to have the actual work of dredging done we thought it more advisable to spend whatever we have available in dredging rather than putting the money into dredges. The time may come when the suggestion of my hon. friend would be practicable in the light of the revenues and the money at our disposal, but I think he will agree that up to the present it would not have been the best plan to tie up so much money in a dredge rather than spend it in dredging either by our own dredges or by contract.

Mr. ELLIOTT: I do not suppose the minister has any more light on the subject to give the committee than he had yesterday, but I am going to make this suggestion to him. I do not know that there is any object to be served by taking up any more time of the committee in endeavouring to get information which it seems impossible to get at the present time, and as I understand there is an item in the public works estimates being held over on which there will be the fullest opportunity to discuss everything that comes under the Public Works Construction Act and affecting public works generally, I think there is no object in continuing the discussion now, but I hope by that time the minister will be able to give us the information.

Mr. STEWART (Leeds): My hon. friend is correct. The understanding is that an item is being held over on which there will be wide open opportunity to discuss anything affecting public works.

[Mr. Reid.]

Mr. CAMPBELL: And the minister will try to have the information for us by that time.

Item 9 agreed to.

On schedule A, item 10—Alterations, improvements and additions to public buildings and to supplement where necessary, upon the authority of the governor in council, specific amounts provided in the schedule to The Public Works Construction Act, 1934, $4,000,000.

Mr. ELLIOTT: I wish to say a few words with regard to this item. The minister was good enough recently to let me have a statement which will perhaps facilitate very considerably the discussion of item 10. I regret that he has not been able to do the same in regard to item 9. As the committee are aware, item 10 is for the amount of $4,000,000 to be expended in alterations, improvements and additions to public buildings and to supplement where necessary, upon the authority of the governor in council, specific amounts provided in the schedule to The Public Works Construction Act, 1934.

May I just call attention to what has been done as shown by the statement which the minister has handed to me? The Public Works Construction Act of 1934, it will be remembered, was introduced a few days before the house prorogued and at that time there was no great opportunity for discussing it because it was understood that the house would prorogue about the first of July and there was before us the Election Act, the Bank of Canada Act and considerable other business to dispose of, so the Public Works Construction Act was left to the very last moment. The list of 185 items contained in the act of last year contained two or three items in regard to which, in view of what has transpired, I think the administration deceived the committee. May I just mention one or two?

Take first the customs building at Centreville, New Brunswick, on the boundary. I know practically nothing about the necessity for this particular building because there was no inquiry made last year. The legislation was just hurried through and there was less objection to these specific items than there was to the large general items that were included in the appropriation. But here we have this customs building on the boundary at a cost of $5,000. I think that every member of the committee understood at that time that that was to be the price for the building. But now we find that that $5,000

has been supplemented by $11,000 to be taken out of this grant, and I say that that is not treating the committee fairly.

There are some other items for additions to considerably larger buildings. I want to be reasonable about the matter, but I do not think it is possible to estimate too accurately what any particular building is going to cost. It was estimated that the Royal Canadian Mounted Police barracks at Edmonton would cost $200,000 but it has been necessary to provide an additional $80,000 from this vote of $4,000,000. An ordnance building for Halifax was estimated to cost $500,000. This was quite a substantial amount but it has been found necessary to supplement it, not by $50,000 or $100,000 but by $400,000. There is a more striking instance in connection with a building for customs and immigration purposes at St. Stephen, New Brunswick. It was originally estimated that this building would cost $75,000 but it has been found necessary to supplement this amount by $100,000. Another instance is in connection with a building for immigration and customs purposes at Huntingdon, British Columbia. The original estimate for this building provided for $3,500. Apparently it was to be a small customs building but I find that that amount has been supplemented by an amount of $35,500.

Such action is not fair to the committee which passed these estimates last year. I do not intend to take up much time in arguing this matter as I know very little about the locations of these various buildings. Hon. members who come from the districts in which the buildings are situated would be better able to speak in that regard, but I offer these instances as examples of what happens when a large amount of money is placed at the disposal of the minister. We had an example this afternoon of the claims made upon the minister when he is given large amounts of money to spend. I do not think the committee was treated quite fairly by having these items put in in that way. The minister will no doubt reply that that always happens but I would point out that that is not the fact. I should like to quote a statement of his to be found on page 4299 of Hansard of last year, as follows:

> There is attached to the bill a schedule which sets out in detail the works that are proposed, with a general item which is calculated to enable the departments to put every public building in the Dominion of Canada in first class repair, including painting, plumbing, heating, wiring and so on. Then there is a similar vote for improvements to wharves and other structures in the harbours. It has been found that some of these wharves are not adequate for present needs. Some of them require strengthening, owing to the increasing use of trucks which has resulted in heavier loads passing over the wharves, and a survey is being made with a view to bringing them up to present requirements. In addition recent storms on the Atlantic have made repairs necessary in many instances, and this vote will provide funds for these purposes.

It will be noted that the phrase "and construction of new buildings" was tacked on to item 135 of the schedule. My memory is that that was added the night we tried to adjourn but did not succeed.

Mr. STEWART (Leeds): That is not in this year.

Mr. ELLIOTT: No and I hope it is not in because of the abuses which occurred as the result of its having been inserted at the last moment last year. I do not think such a clause was in the mind of the minister when he spoke on the second reading of the bill on June 26. Such a clause represents the thin end of the wedge. I do not think such action assists the party to which the minister belongs and it certainly does not assist in the administration of this department. I suggest that this plan be not followed in the future.

Mr. MACDOUGALL: When the hon. member was Minister of Public Works did he have knowledge of a vote of $52,000 for a public building in Hawkesbury?

Mr. ELLIOTT: It went through the estimates in the regular way.

Mr. MACDOUGALL: No, it did not.

Mr. ELLIOTT: What year was that?

Mr. MACDOUGALL: 1926, when the hon. member was minister.

Mr. ELLIOTT: What is the complaint?

Mr. MACDOUGALL: The building was never constructed although it was promised by you and by your party.

Mr. ELLIOTT: Then there could have been no waste of public money.

Mr. MACDOUGALL: But there was a waste in public futility and truth.

Mr. STEWART (Leeds): I am glad I can give the committee more information in connection with this matter than I could in connection with the last matter brought up. I gave my hon. friend certain information and he has made reference to the striking items contained therein. The Public Works Construction Act of last year contained a schedule made up of a large number of items but it must be remembered that in the time at the

disposal of the departmental architects they were not able to make accurate estimates of the costs of these various buildings. Most of their time was taken up in preparing estimates of the costs of the works included in the regular program and in some cases these buildings were placed in the schedule without that complete and accurate information which would enable a definite estimate of the cost to be made. In some instances it was found that the building was not adequate, perhaps the customs department would require more space than had been provided, and the result was that $2,730,000 was required out of this vote to supplement these items. I think it should be pointed out to the committee that in other instances the estimated cost was greater than the final cost. The decreased costs almost balance the increased costs, but in order to complete these buildings we must have these amounts. I might tell the committee that there is another building in connection with which we may require an additional amount, the building to be erected in the city of Victoria. So that we are accounting for the greater part of this building with these specific amounts in the statement given to my hon. friend amounting to $2,730,100. That will be increased somewhat because some of the tenders are not yet in and we do not know what the amounts will be. We have reason to anticipate that in some cases they will exceed the amount in the schedule. My hon. friend will agree with me, I think, that during the past few years there has been an accumulation of deferred maintenance in public buildings. We did set out to put them in good repair, all of them, and that work has been carried on, as most hon. members know, and the buildings in their towns have been put in a pretty good state of repair. But there are still some that have not been so treated and the balance of this vote will probably be required for that purpose. It may not require all, but there is substantial work to be done in that direction, work that is not completed. With that information I might confidently ask the committee to pass the item.

Mr. ELLIOTT: No new buildings will be constructed out of this $4,000,000?

Mr. STEWART (Leeds): I am glad to tell my hon. friend that that item is not in the bill. It caused me a good deal of trouble and it is not in the bill this year. No new buildings will be constructed out of this item.

Mr. STEWART (Edmonton): I have a question to ask but I doubt whether it should be directed to the Public Works department; probably the Defence department would be the proper place to make the inquiry. However, perhaps the minister can tell me. He will remember that last year considerable sums of money were voted for Calgary, for the construction of barracks, stables and so on. My first complaint is that public tenders are not being asked for these buildings and therefore it is difficult to say whether or not they are being constructed at reasonable cost. There is going on at the present time in Calgary, if it is not already completed, the levelling of a landing field and I am given to understand that the work is under contract; and while there are at least three or four hundred idle men standing around in Calgary, my information is that the contractor has been allowed to purchase a very efficient levelling machine operated by a few men, with the result that the levelling is done very rapidly. Now the object of this whole vote is, I understand, to give employment; it is not to permit contractors to purchase very modern machinery with which they can rapidly complete the work, thus making no contribution to the provision of employment for idle men. That was going on in Calgary when I was there a short time ago. It does seem to me to be a mistaken policy. Surely the government is taking precautions to see that these works provide the greatest amount of employment. Not only that, but excavating is being done with steam shovels. Surely in times like these, if the object is to relieve unemployment, men should be given work with picks and shovels. It will cost more money, but the country is spending large sums on relief and it would be very much better to give employment to the men and enable them to preserve their self-respect. I know that has not been the rule in connection with the works in the parks under the Interior department, because they have been carrying on very much as they did in the past and are not employing machinery. In one of the localities in my constituency a large number of men have moved from the south and gone into the bush, and I notice a report from my leader's constituency that complaint has been made that the government—not this government but the provincial government—might very well employ these men on building a road, improving roads and constructing new roads into the localities in which they have taken up their lands. The answer I received when I complained to the provincial government was that the work could be done very much better and more cheaply with machinery, and that it was really cheaper to do the work

with the machinery and keep on paying doles to the people to keep them alive. I protested there and I protest here against that sort of thing being done at this time. So far as Calgary is concerned, it is directly under the control of the federal government and apparently no restraint is placed on the contractor to have this work done by hand labour; instead he purchases a $35,000 machine that will displace 125 men daily. As I say, I do not know whether this is the department to which I should protest, but I do want to register a very vigorous protest first, against the system which the department has followed, of asking only a select list of contractors to tender on buildings, and then the failure to make provision to ensure that they shall not use all these modern machines and so cut out labour, particularly at a time like this. This applies to the federal government, and I simply mention the other thing as having come directly under my observation. It seems a crime that a hundred families should be kept on relief when they might have employment and so preserve their self-respect.

Mr. STEWART (Leeds): My hon. friend has very fairly presented the problem from his standpoint, which is perhaps not different from the standpoint from which we have to approach it in the department. The particular work to which he refers is not under the control of the Public Works department but under National Defence. We have adopted in many instances the plan of inviting alternative tenders for excavation to be done by hand labour or in any way the contractor chooses. Sometimes we find the difference in cost to be considerable, and there is always the conflicting interest of having public works done as cheaply and economically as possible and, on the other hand, the desire to employ as large a number of men as possible at this time in doing the work. There is a division of opinion in that regard. Excavation by hand labour involves delay, though it employs a considerable number of men in some cases. Sometimes a steam shovel operates to very much greater advantage because of the obstructions that are found in the excavation. Where we can, without unduly increasing the cost, have excavation done by hand labour, we have adopted that course. But that has led to protests from unions of organized labour, who say, "You are holding up the work; you are not getting on with it and you are holding it up for weeks while mechanics are standing around. Why don't you go ahead and get it out and let us get to work"? The matter is not as simple as it looks; the conflicting factors are there. I agree with my hon. friend, however, that where, without unduly increasing the cost or delaying the work, excavations can be made by hand it is desirable at this particular time to have this done.

As to the other matter, the invitation of tenders, there is a difference of opinion about that. There is a feeling all over the country that the contractors and the supply of labour and material should be confined to the locality in which the work is being carried on. Contractors in certain areas say that public tenders result in unfairness, hardship to them. They say that large firms that have secured contracts in other places for big amounts have an advantage; that they can come in and tender an amount which, although not very much less than that submitted by the local contractor, is just sufficient to take the work away from him. They say that these larger firms just cut the price fine enough to make it impossible for a local contractor to do the work. That has to be taken into consideration on the very same basis as that on which my hon. friend is placing the claim of the unemployed. These are local unemployed contractors or unemployed staffs of the smaller local contractors. There is a sentiment both in the house and out of it that even though the work does cost a little more, these local contractors should be taken care of. Some say that it should not be taken out of the province involved, for instance, that it is not fair to allow a contractor, say in Alberta, to do work in any other province. I do not share that view. This is public money, and strictly speaking any person in the dominion should have the right to tender on a public work; but local conditions, the times and the unemployment situation make it necessary in some cases to depart from that strict rule. There is however one rule that I think I may say is strictly observed and that is being sure of reasonable competition and that the cost of the work is not unduly enhanced by limiting the tenders to a selected list in the locality where the work is being carried on.

Mr. STEWART (Edmonton): May I say to the minister that I am not particularly enamoured of the explanation he gives. In the first place it does not help the local situation one iota who gets the contract if a provision is inserted in it that the excavation and other work shall be done by employing in the district. That is a very simple insertion to make in any contract. In the second place, when my hon. friend tells me that the intention is to protect local contractors, I am bound to have the opinion

that when two or three local contractors are invited to tender, it is not a very hard matter for them to get together, and the whole trouble is that labour does not get the money; it never gets it. Whatever the profits are, they go into the pockets of the contractor. If you submit to public competition, I do not care whether it comes from any part of Canada, you are in a much better position to defend yourselves than under the present system that has been pursued by this government with respect to not only the regular work of the department but the unemployment relief moneys as well. What on earth are we voting these moneys for? It is for the purpose of giving employment to people who cannot secure work to maintain themselves. Therefore I do not see anything in the argument of the minister that to confine the invitation of tenders to two or three local contractors is of any advantage for the purpose for which the vote is made or to the department itself. I am bound to think such a method will cost more money in the long run, and when that is coupled with the employment of every kind of machinery for the purpose of excavating, of course labour suffers and must undoubtedly suffer.

The minister states that other organizations, the mechanical organizations, are standing around protesting against delay in excavation. Unless the excavation is a tremendously big one, it means a matter of only eight or ten days' difference whether the excavation is done by hand labour or by machinery. It is true that excavation work can be done much more quickly with a steam shovel, and more cheaply; we do not deny that for a moment, but in times like these when we have so many unemployed men, these steam shovels should be abandoned altogether on government work. This is not a private undertaking; it is the spending of money voted for one specific purpose, namely, for relief. I just want to register the strongest kind of protest against the method by which the government are carrying on this work.

Mr. BEAUBIEN: In the statement which the minister has given to the ex-Minister of Public Works concerning item 10, $4,000,000, I find $235,000 additional for the public building in Winnipeg which was estimated under the 1934 act to cost $1,500,000, and $15,000 extra for addition to the post office in Winnipeg, which in the 1934 act was estimated to cost $250,000. May I ask the minister whether in the $4,000,000 item those are the only amounts that will be expended in Manitoba?

[Mr. C. A. Stewart.]

Mr. STEWART (Leeds): Those are the two items that are required to supplement the specific items in the schedule of last year, being short of the cost of the work as ascertained by public tender in both cases. As I have said to the former Minister of Public Works, there will be no new buildings under this vote, but if there are public buildings in Manitoba—and I presume there are some—that require alterations, improvements, additions, repairs, that can be done under this vote.

Mr. BEAUBIEN: Do I understand from the minister that under this item 10 of $4,000,000, no other works will be undertaken than this $235,000 additional for the public building in Winnipeg, $15,000 for the post office, and repairs to buildings that are at present in existence in Manitoba?

Mr. STEWART (Leeds): There can be no new buildings under this item.

Mr. BEAUBIEN: Will any of this money be expended on other works than public buildings and repairs to public buildings?

Mr. STEWART (Leeds): No, it must be limited to work on public buildings.

Mr. BEAUBIEN: May I give the minister some information which I gathered while I was at home during the recess? In the case of two public buildings that were undertaken under the 1934 act, as the system works at present the percentage of employment of persons formerly unemployed is very small. My information, which is fairly authentic, is that of the people employed on the public building and the addition to the post office at Winnipeg that are now being erected, less than one-third were taken off direct relief. I do not know the reason for that, but surely if we are going to erect these public buildings and spend this money in order to relieve unemployment, we ought to make a very decided effort to give the work to people who are at present unemployed in order to take them off the charge of the municipalities and the provinces. That is my view.

Another very strong rumor that exists—and it is fairly well established—is that unless a man signs and seals a document that he always voted one way and intends to vote the same way for the rest of his life, it is very hard to get a job on those buildings. I cannot prove that statement; it is very hard to do that, but I give it to the minister for his personal information. If a situation like that exists in respect of any public undertaking voted by parliament for the purpose

of providing work for the unemployed, it should not be tolerated. Every man, no matter what his creed or his politics, should get a chance if he is unemployed and needs work. I make this statement in order that the minister may look into the matter and remedy the condition if it exists.

I think money could be expended for works which would benefit the communities much more than these public buildings do. A big building is being constructed in Winnipeg at a cost of about $1,750,000 to house the government offices. It will be a very nice building and it will be fine to have it, but it is going to empty a considerable number of offices in Winnipeg, the city will lose a good deal of revenue by way of taxes, and the people who own office buildings will go bankrupt. In many parts of the country market roads, and repairs to bridges are needed, and there are many other public undertakings which in my opinion would bring greater benefit to a greater number than these public buildings. These roads and so on are very necessary and would be permanent improvements. I see in this schedule an item of $1,500,000 to be spent by the Interior department, also $2,500,000 to be spent on harbours and rivers. As far as Manitoba is concerned our harbours and rivers are few and far between, but very many other works could be undertaken which would give greater benefit and more employment than these public buildings. I make these representations in all good faith. I know that the minister is not a partisan, except at certain times—

Mr. VENIOT: This is one.

Mr. BEAUBIEN: Well, he is generally partisan when he attacks the ex-Postmaster General (Mr. Veniot). But if the condition exists which I have mentioned, that politics are playing a part in regard to the giving of employment, I ask the minister to remedy it as soon as possible, because it is not fair.

Mr. STEWART (Leeds): Perhaps my hon. friend was not in the house recently when the hon. member for Winnipeg South Centre (Mr. Kennedy), who speaks with knowledge, explained exactly the method adopted in Winnipeg of securing the names of those who should be employed on the works carried on there. I suggest that my hon. friend read that statement; it indicates that the method is quite the opposite of that which my hon. friend has been informed prevails. We do get information from time to time that some disappointed individual writes in and says that some improper method is being followed in the employment of labour. In many cases we investigate and find that there was no ground whatever for the complaint. As far as I know, no such method as my hon. friend refers to has been adopted. I have heard of its being adopted in certain places on certain occasions, but if anything of that kind is done it is a public scandal; I would not approve of it for a moment in connection with any work under the control of this department, and I am sure no member of the government would. I do not want to give instances in which something of that kind has been adopted to the disadvantage of our friends. But I do not approve of it, and it certainly does not exist with the knowledge or approval of the government.

As to roads and bridges, my hon. friend knows that the dominion government cannot go into a province and build a road or a bridge. It has no jurisdiction. The works we are carrying on are those that we are sure we have the authority to do. A program of public works such as my hon. friend has outlined was undertaken for some years in cooperation with the provinces. But the provinces finally said: We cannot go on with that any further; we want direct relief. The dominion met their wishes in every way possible, in every direction they proposed. I point out that there is still another act on the statute book, the Unemployment Relief Act, which permits an agreement to be made between the dominion and the provinces for the carrying on of just such works as my hon. friend has mentioned—roads, bridges and sewers; and at the present time there is under consideration and negotiation a proposal for the construction of sewers in the city of Winnipeg at very great cost, which would give a large amount of employment of labour. But when my hon. friend advocates the construction of roads and bridges and works of that kind, he is overlooking entirely another class of labour, the mechanic, the bricklayer, the carpenter, the plumber and allied and associated trades. These have made representations and through the Canadian Construction Association have urged a program of public buildings. These classes of unemployed are entitled to consideration, and the fact that we are considering public buildings where needed is for the purpose of meeting their wishes and endeavouring to afford relief to that large body of skilled labour that could not find that relief in work on roads, bridges and sewers.

But there is nothing to prevent the other program being carried on under existing legislation in cooperation with the provinces. We take into consideration the special requirements of each province and each locality. In Saskatchewan, as my hon. friend knows,

the problem is different even from that in Manitoba and from that in Ontario. A relief program has to take into consideration all these phases. The reason for putting up buildings is to relieve that very large volume of skilled labour that has been out of work for a long time and from whom very strong representations have been received.

Mr. BEAUBIEN: Will the minister investigate the statement I have made as to 425 people being employed on two public buildings, of whom less than one-third were taken off the roll of unemployed or direct relief? If we vote money to relieve unemployment by public works surely we ought to make the greatest effort possible to give the work to the unemployed in order to take them off relief, and lessen the burden of the municipalities and the provincial governments.

In regard to the construction of roads and bridges, is the minister aware that Manitoba has made representations to this government almost every year in regard to a program of joint construction, with the province contributing its proportion, forty or fifty per cent, and that these projects have never been entertained very seriously? Last year, when the provincial representatives came here, the whole thing was cut and dried even before they arrived. I should like to ask the minister to do this for me: Will he use his influence with the minister in charge of the relief act to the end that the proposition which is in his hands at the present time, and which must have been before the cabinet, having to do with a joint public works program including roads, repairs to bridges and so on, will be approved so that Manitoba may receive some benefit from the money that is to be expended?

Mr. STEWART (Leeds): With regard to the employment of one man in three of those on relief, I think that is a pretty good average when you bear in mind that some of those on the relief rolls are incapable of steady work of the kind necessary in connection with a building of this kind. Others who are not on relief but who have reached the end of their resources must be considered as well. They have kept off the relief rolls; they have endeavoured to preserve their pride and avoid going on relief. If they are not looked after they will be on relief. It must be borne in mind that this work is done by contractors, after competitive bids. The contractor has cut his price in order to get the job. We include in the specifications a provision that he shall employ a reasonable quota of local labour and returned soldiers where they are available and competent. In discussing the matter one contractor said, "I took some men off relief and put them on the work, but they could not stand it; after two or three days they quit voluntarily. They were not suited to that kind of work. I tried to help them." It was represented to me that we should rotate the men on the relief rolls. I tried that, but the difficulty was that as soon as a man took employment he was removed from the relief rolls, and then if he was rotated he could not get back on the rolls. The problem is full of difficulty from the standpoint of every interest concerned, but I do say to my hon. friend that I will inquire as to the numbers to be employed on these works in Winnipeg, and see if the contractor can take more men from the relief rolls. However, when some are asked to rotate on the work they refuse to do so, because they say it only embarrasses them if they go on a job of that kind; when they are let out they have trouble getting back on the rolls again. So some, when asked to go on work, for these and other reasons prefer not to do so.

Mr. BEAUBIEN: Would the minister answer my other question?

Mr. STEWART (Leeds): The program to which my hon. friend referred comes primarily under the administration of the Minister of Labour. I have no objection whatever to discussing the matter with him. I would think that if Manitoba put forward a scheme of work of the type mentioned by my hon. friend, calculated to relieve unemployment, and if they are prepared to enter into an agreement with the dominion on that basis, there would be no insurmountable obstacle in the way. It is a question of negotiation between the province and the Department of Labour. I quite agree that it is better to have men working than on direct relief, and I should think that if work cannot be found in connection with the sewer extension, which will take care of the situation in Winnipeg for a year or so if it is undertaken, and which is now under negotiation, something else might be found.

Mr. BEAUBIEN: One final word and I am through. According to my information the province of Manitoba is just waiting for an intimation from the federal government to go ahead with this works program.

Mr. VENIOT: I should like to ask the minister for a little explanation. As I understand it this item is to supplement estimates already made in connection with various works, which estimates have been found insuffi-

cient. I find that item 156 of the 1934 schedule provides $75,000 for a building for customs and immigration purposes at St. Stephen, New Brunswick. Would the minister inform the committee how that amount was arrived at in the first instance?

Mr. STEWART (Leeds): The estimate in the first instance was based on the purchase of suitable property and, as I have said, without full knowledge of the requirements. We find that the first estimate of $75,000 was not sufficient, and that a further amount will be required to furnish the necessary accommodation.

Mr. VENIOT: You are supplementing it now by $100,000?

Mr. STEWART (Leeds): Yes.

Mr. VENIOT: Is there not a customs building at St. Stephen already? Is this to be a new building?

Mr. STEWART (Leeds): It is a new building for customs and immigration purposes.

Mr. VENIOT: Where will it be situated in St. Stephen? Will it be near the international bridge?

Mr. STEWART (Leeds): At the bridgehead of the international bridge.

Mr. VENIOT: This will be a customs building, and the immigration offices will be in it?

Mr. STEWART (Leeds): That is the intention.

Mr. VENIOT: What will be done with the old building?

Mr. STEWART (Leeds): It will be torn down.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. REID: I have just a few words to say, Mr. Chairman, regarding item No. 10, and without any desire to hold up the bill at all. Last year the minister will remember that I appealed to him, to the Prime Minister and the Postmaster General regarding the construction of a post office in the city of New Westminster, and there was included in the bill of last year an item of some $30,000, which has since been increased by some $17,000 for a building on the Pacific highway. That is the information I have. I am not finding fault with the customs and immigration building that is going to be constructed at Huntingdon, but the item of $3,500 for Huntingdon plus the $35,000 represents a total expenditure there of $39,000. During the adjournment I paid a visit to the Pacific highway and I would urge upon the minister the necessity of putting up a really decent building there while he is at it. I would rather have seen a post office constructed than a customs building because I believe it would have provided more work where the unemployed are; but inasmuch as it has been decided to go ahead with the customs building on the Pacific highway I do hope that a building will be put up that will be in conformity with the buildings on the United States side of the line. The amount now allotted for the construction of a customs building is wholly inadequate in a port of entrance such as this is. The Pacific highway entrance is the most important entrance from the United States into British Columbia. The number of foreign cars entering the province of British Columbia last year through the Pacific highway entrance was 60,750, while 17,842 entered at Huntingdon. The Pacific highway port in British Columbia leads all the ports in Canada when it comes to the entrance of foreign and all cars, more cars entering through that port last year than through any other port in Canada. As I say, if you are going to put up a building, why not build a creditable one? I am strongly of the opinion that $47,000 will not construct a building adequate to the importance of that port of entry. The American building on the United States side of the line is a modern brick structure costing in the neighbourhood, I believe, of $150,000. The building on the Canadian side is now going up, but do it right. I appeal to the minister to take this plea of mine into consideration very seriously and have the thing done right.

Mr. STEWART (Leeds): I can assure the hon. gentleman that his plea will be given consideration, and I will ask the architect to investigate and report upon the suggestion my hon. friend has made.

Mr. VENIOT: Just before six o'clock I was asking for some information about St. Stephen. You have an item of $75,000 originally for a building there for customs and immigration purposes, and $100,000 is taken out of this item No. 10. The minister told me before the dinner recess that the old building would be torn down. May I ask if there is an immigration building at the end of the international bridge on the Canadian side?

Mr. STEWART (Leeds): The immigration office was in the building that it is now proposed to tear down. It was in a building that was hitherto rented but which we have recently purchased.

Mr. VENIOT: It was a rented building at the end of the bridge?

Mr. STEWART (Leeds): It was rented, but we have now purchased it, and it will be torn down and a new building erected.

Mr. VENIOT: Do I understand that two buildings will be torn down or only one?

Mr. STEWART (Leeds): One. The customs and immigration offices are in the one building.

Mr. VENIOT: There is another item on which I should like some information, the item to take over and reconstruct the city wharf at Fredericton, $23,000 originally, and $5,000 taken out of item 10. What is the additional $5,000 for? There was no estimate in connection with that $23,000, which I thought was adequate to take over the wharf owned by the city at Fredericton. I am not criticizing the taking over of the wharf because I think the government did right in taking it over, but I should like to have some information as to why the $5,000 extra was required; also, what amount was paid to the city for the wharf, or was the $23,000 for repairs only?

Mr. STEWART (Leeds): The city wharf at Fredericton was torn down by the city and was taken over by the dominion, and the amount that is now required is the engineer's estimate of what will be required to put it in proper shape.

Mr. VENIOT: So that will be $28,000.

Mr. STEWART (Leeds): It will be $28,000 instead of $23,000.

Mr. VENIOT: Can the minister tell me who was the legal gentleman engaged in making the transfer?

Mr. STEWART (Leeds): That would be done through the Justice department. My deputy tells me that he cannot recall who the agent was, if any, engaged for that work. It is a case where we did not pay anything, and it is possible that we simply accepted the transfer from the city.

Mr. VENIOT: Perhaps the Minister of Justice would give me the information some other time.

Mr. STEWART (Leeds): I will undertake to get it for my hon friend.

[Mr. Veniot.]

Mr. VENIOT: I was just asking the Minister of Public Works who was the legal gentleman engaged in the transfer of the wharf at Fredericton, and the Minister of Public Works said that that would come under the Justice department. Perhaps the Minister of Justice will get the information for me.

Mr. GUTHRIE: I shall endeavour to get the information, but I do not know how it would pertain to the Department of Justice.

Mr. CAMPBELL: Just before six o'clock the minister stated to the hon. member for West Middlesex (Mr. Elliott) that a large part of this vote was being used for items under the Public Works Construction Act of last year for which the estimates were not high enough, and he also stated that there were many other items under the Public Works Construction Act of last year the estimates for which were a little more than the amounts required. I was wondering what happens to the money provided by these votes.

Mr. STEWART (Leeds): The money cannot be used for any other purpose. If there is a specific amount provided for any particular work and the work is done for a smaller amount, the money cannot be applied for any other purpose.

Mr. CAMPBELL: It cannot be used for any other purpose?

Mr. STEWART (Leeds): No.

Item agreed to.

On Schedule A, item 11—Interior Department—To provide for the construction and development of public buildings, camp sites, electric light and telephone systems, highways, bridges, streets, sidewalks, landing fields, air harbours, trails, water and sewer systems, recreational areas, wharves and river protection works; to provide for the development of historic sites including buildings, repairs and restorations; to provide for the purchase and acquisition of building sites, also to provide for the construction of the Golden-Revelstoke (Big Bend) section of the trans-Canada highway, $1,500,000.

Mr. MACKENZIE KING: I should like to say a word or two to the minister in connection with this item. In part the item is to provide for the construction and development of camp sites, recreational areas, river protection works, development of historic sites, including repairs and restorations and so on. This is all in the nature of providing in one form or another for recreational areas which may be of service to the public.

I should like to know if some provision could not be made out of this vote to provide protection of the scenic beauty and the

preservation of the wooded hillsides in the vicinity of the capital. During the last year or two there has been a very considerable cutting of the forest areas within a short radius of the capital. This may not be known to the government but I think it is known to some hon. members. It is without doubt due to the hard times. Through small amounts of money, sometimes as low as one dollar per cord, being offered, I am told, for cutting and a like amount for the wood, the hillsides are being denuded. If one looks across the river from the capital towards the hills, he will see that the beauty of Ottawa is largely that of its immediate surroundings. These surroundings are what they are by virtue of the fact that for the most part the hillsides are heavily wooded, or have been until within the last year or two. All here, I am sure, are interested in preserving the scenic beauty of the capital and its environments. Personally I was amazed when my attention was drawn to the destruction which has taken place. I took advantage of the recess to visit parts of the country in immediate proximity to the capital to see what was actually taking place. I think hon. members would be horrified if they could see what has happened within the last two years within a radius of ten or fifteen miles of the city of Ottawa. Whole hillsides which face the approaches to Ottawa from other parts of the country have been completely denuded of their trees. There have been left devastated areas which are nothing else but barren rocks and eroded soil. In some cases cut slash has been left on the roadside to the extent that it presents a serious fire hazard. Streams and springs are drying up, and the wild life of woods and waters disappearing.

The government of Canada has assumed vast obligations in respect to the beautification of the capital and a considerable sum of money has been spent for this purpose. Unless the beauty of the hillsides and immediate approaches to the city are protected much of the effort thus far spent will prove to have been in vain; for, as I have said, it is impossible to separate the city itself from its immediate environments. I believe some scheme for the protection of the surrounding hillsides could be worked out at a very small cost. It is not for me to say how this should be done, or even that it is the business of the federal government. Such a scheme might necessitate a conference between the federal government and the provincial governments of Quebec and Ontario. Such a conference however, should be held immediately. Otherwise damage will be done in the next one or two years which can not be repaired in less than thirty or forty years, if indeed ever repaired. In fact, I believe it would take the government forty or fifty years to reforest to the extent of the destruction, the areas which have been destroyed during the last two years within a radius of twenty miles of Ottawa. What is being done to-day will destroy the beauty of the immediate environs of the city for at least a generation or more.

A purely voluntary association has been formed in the city, known as the Federal Woodlands Preservation League. This association has been able to make its influence felt sufficiently to have as its honorary patrons His Excellency the Governor General and the Countess of Bessborough. The Prime Minister (Mr. Bennett) is also one of the patrons, and the Right Hon. Sir Robert Borden. The Hon. Ernest Lapointe, the member for Quebec East, the Hon. Senator Lemieux, the Hon. Louis Cote, and myself, are also patrons. I mention names simply to show that the body is not a political organization. It is as a matter of fact, a voluntary association of persons interested in the capital of Canada and the preservation of the woodlands of its immediate environments. A meeting of the league was held here in Ottawa a short time ago at which it was pointed out that in the comparatively small Meach lake district alone just across the Ottawa river something like 1,000 acres of woodlands had been laid waste during the winter. There is no desire on the part of this association to prevent any owner of property from cutting trees provided he does not strip the entire hillside or does his cutting a certain distance back from the road. At first, through the agency of contractors, cutting was confined only to the large trees, but later on as inducements were offered to sell the smaller wood for pulpwood purposes they began to strip the countryside.

Anyone who takes a trip up the Gatineau will be horrified at the extent of the destruction which has occurred. A very fine scenic route from Montreal via Mont Laurier to Ottawa has in its near approaches to the capital been absolutely destroyed. When we are spending money in an attempt to encourage tourists to come to this country, immediate notice should be taken of the condition which exists in these areas.

From what I gather I imagine the first step necessary would be something in the nature of a survey of the volume of acreage on

cordage already cut along the roadsides and riversides immediately adjacent to the highways coming into this city, and the volume which would have to be dealt with in any scheme of controlled cutting. This is work which a voluntary organization could hardly be expected to undertake, but perhaps the government, through its survey department, could give employment to some unemployed surveyors and thereby assist this voluntary association in its work. Other hon. members have spoken of this matter earlier in the session. The hon. member for Bow River (Mr. Garland) comes all the way from Alberta but he has observed how far this destruction has gone and has already brought it to the attention of the house. As I said before, I made it a point during the recess to see what had been done and outside of the pictures of devastated areas which were exhibited after the great war I have seen nothing more devastating in appearance. This is the condition which exists in an area which can all but be seen from parliament hill. I believe the house may expect the fullest sympathy from the minister and his colleagues in connection with this matter. I am sure the Prime Minister will view the matter sympathetically, and I trust the minister will have his colleague, the Minister of the Interior look into this situation and allot some of this money to permit of action which is so much in the public interest being immediately taken.

Mr. STEWART (Leeds): Mr. Chairman, I think it is very appropriate that the leader of the opposition (Mr. Mackenzie King) and other hon. members should direct my attention to this matter. I have observed recently articles in the press dealing with this situation and I am sure that many hon. members will be as much surprised as I was to learn of the extent to which the timber on these beautiful hills has been destroyed. I am not sure whether these areas are privately owned or whether they belong to the province of Quebec. I would say that the areas in Ontario would be privately owned, in which case there would be a difficulty which would not arise were the property owned by the province. I should judge it would not be difficult to get the cooperation of the provincial governments with respect to any lands the title of which might be in the provinces, but the matter would not be so easy where private owners are concerned. This vote contemplates the expenditure of money on property already owned by the dominion. My right hon. friend's interest in everything pertaining to the beauty and the advancement of the city of Ottawa and surrounding area is well known, and I am pleased that he has made the suggestion. Perhaps, through the forestry branch of the Department of the Interior, something might be done in cooperation with the voluntary association that has been formed. I am taking this item on behalf of the Minister of the Interior (Mr. Murphy), who is unavoidably absent owning to a death in his family, and I shall draw his attention to this matter. If the Department of Public Works, through its engineers, can lend any assistance I shall be glad to see that the contribution, small though it may be, is made.

Mr. MACKENZIE KING: I do not think it would involve the matter of expropriating property. Most of these are privately owned lands, but this association which has been formed, known as the Federal Woodlands Preservation League, and which has given a good deal of study to the matter, believes that, for a very small compensation, the owners of these lands might be prepared to avoid the cutting of any trees beyond a certain size. I am not even suggesting that the government should consider paying these private owners to prevent them from cutting beyond a certain size; the voluntary association might be able itself to discover ways and means, to meet that end. But what the association needs as a beginning is a survey to indicate the extent to which it would be necessary to make provision, and to enable it to make an estimate of the cost of what should be done. My own feeling is that, even if it meant the necessity in some instances of expropriating land on these main approaches to the capital, it would be in the public interest for the state to acquire strips of land along the sides of the roads as it has acquired, along the sides of the canal within the city limits, where property has been used for beautification and driveway purposes. But that is a matter for consideration between the different governments. The main thing is to avoid the destruction to the extent that it is taking place, and will take place, within this very year, and which it will not be possible to offset in a generation to come. I wish to thank the minister very cordially for the sympathetic interest he has expressed in the matter.

Mr. HANSON (York-Sunbury): I should like to add a word on this very important subject. The leader of the opposition has referred to the condition in Ottawa and I read with a good deal of interest that a meeting had been held recently in regard to this project. I felt that if I had been a resident of Ottawa I would have joined the association.

My object in rising at the moment, however, is to tell the house what is going on in my constituency under the auspices of the forestry branch of the Department of the Interior. In connection with unemployment relief, Nos. 1, 2 and 3, the work is being carried on by the Department of National Defence and, I may say, very successfully. We have no agitators or communists and at least two-thirds of the men are being placed every summer in useful employment—perhaps some come back in the winter. There is being conducted, in conjunction with the relief project, a large experimental station and reforestation scheme under the auspices of the forestry branch, and it should be an object lesson to the whole country. It is done on land donated to the dominion by the province of New Brunswick from crown lands. While I am making these observations I should be glad if any hon. gentlemen from New Brunswick would let me know whether they would care to inspect it; I should be pleased to have them conveyed there so that they could see what is being undertaken. I think the time has come, in fact it has long since passed, when we ought to give very serious attention to the whole question because our forest wealth is being destroyed. I remember going to Fredericton as a boy thirty-five years ago and visualizing the size of the timber that came down the Saint John river—300 million feet annually—and the size of the timber that comes down to-day, less than 10 million feet. That tells the story. The public must be awakened to this fact. Primarily I think it is the duty of the provinces, because they own the great bulk of crown lands; that is true at all events of New Brunswick and Quebec, and I think it is also true of Ontario. But the dominion could by precept and example do something to assist.

Mr. MacINNIS: Am I right in assuming that this vote is for improvements in national parks?

Mr. STEWART (Leeds): Largely, yes.

Mr. MacINNIS: In that connection I believe that representations have been made to the minister with respect to Stanley park, Vancouver. This is also federal property, although it is, I believe, leased on long term to the city of Vancouver. As the minister no doubt knows, there has been a good deal of destruction of trees in Stanley park this winter, the result of two or three storms, and in order to conserve the park it is necessary to clear the debris from it. I understand that the parks board has approached the minister for a grant of $50,000. I was wondering whether there was anything in this vote that could be applied to clearing work in that park. A grant of $50,000 for the purpose would be money very well spent.

Mr. STEWART (Leeds): Some representations along these lines were made to the Department of Public Works and the correspondence was transferred to the Minister of the Interior. I know that what my hon. friend says about Stanley park is true. I had occasion to pass through it recently and I observed the destruction of timber by the storms. A good deal of clearing has been done, I believe, by the city of Vancouver as a relief measure during the last few months, but a great deal has to be done yet, and I am sure that although the city of Vancouver has control of it the Minister of the Interior will be pleased to cooperate with the city in any scheme that might be calculated to improve conditions there.

Mr. MacINNIS: May I take it, then, that there is nothing included in this appropriation.

Mr. STEWART (Leeds): Nothing specifically for that.

Mr. WOODSWORTH: Does all this grant involve the doing of work by means of paid labour, or will part of it be done by men in relief camps?

Mr. STEWART (Leeds): This all involves the expenditure of money and is classified under different headings and different amounts. There is nothing in the memorandum I have to indicate that the work is being done by camp labour, and even if it were I suppose a reasonable wage would be paid for it.

Mr. WOODSWORTH: May I suggest, then, that fair wage rates should apply in all work of this kind. It does not seem to me that we can impose upon poor fellows out of work the burden of keeping up the public parks; that at least should be borne by the country at large. I want to have the assurance of the minister that there will be fair wages for work of this kind.

Mr. STEWART (Leeds): The minister has left a memorandum pointing out that in their contracts for this work they provide that in the execution of the work the contractor shall employ reasonable quotas of returned soldiers and that local workmen should be engaged where they are available and competent.

Mr. WOODSWORTH: There is nothing about wages in that, is there?

Mr. STEWART (Leeds): No.

Mr. WOODSWORTH: Is it the policy that fair wages shall be paid?

Mr. STEWART (Leeds): On every government contract where the work is performed by a contractor, there is a schedule of wages applicable to it.

Mr. WOODSWORTH: Is any of this work being done directly by the department, or is it all being done under contract?

Mr. STEWART (Leeds): I do not know; there is nothing to prevent its being done either way.

Mr. WOODSWORTH: All I want to be assured of is that whatever way the work is carried out, the men will be paid decent wages. I think in the past it has been the policy, the rather boasted policy of the government, that fair wages were paid. I trust there will be nothing in the special conditions of the depression to lead the government to depart from that policy.

Mr. MUNN: I should like to support the hon. member for Vancouver South (Mr. MacInnis) in his appeal to the minister for some recognition in regard to Stanley park, Vancouver. The minister mentioned that it was in the hands of that city. Well, it is under lease, but it belongs to the dominion government and I have appealed in the house before for some survey by the government as to what is happening in Stanley park. That park is one of the beauty spots on the Pacific coast. The city is in a bad way; the civic authorities have not the money to spend, and as the hon. member says, money spent on that park would be ordinary investment. Not only would work done in cleaning up the park give employment to men, but the park will certainly never amount to anything unless it is cleaned up because there is so much in the way of dead timber and fallen trees. The dead timber and fallen trees should all be cleaned out; they are breeding grounds for beetles that will destroy timber that might otherwise grow in a healthy state.

I am sorry the Minister of the Interior (Mr. Murphy) is not in his seat; I have appealed several times to the hon. gentleman, and perhaps the Minister of Public Works will pass my suggestion on to him. On the river Squamish in British Columbia there are at intervals very bad floods and some river bank protection work should be done there. There are two or three Indian reserves along that river; there is a town of five or six hundred people. The government should cooperate in this work through the Superintendent General of Indian Affairs with the provincial government and perhaps the Pacific Great Eastern Railway. There is a danger that some day there will be a flood there that will carry that town into the ocean. The situation is a serious one. I have had a good deal of correspondence with the minister but I cannot get any satisfaction; they say they are investigating, but they never get anywhere.

I have another suggestion to make. In this item there is mention of the Big Bend highway. It will be realized that at the present time we have a very serious situation in British Columbia in connection with the relief camps. I am familiar with the situation there; I have visited the camps and I know the class of men that are in them. There are some that we would be better off without, as the Minister of National Defence (Mr. Stirling) knows, but there are others whom we would like to see taken care of. The present system is absolutely unworkable. I suggest that the federal government might use some of the money in this vote—it might perhaps be supplemented later on—in cooperation with the provincial government to put the men on the Big Bend highway and give them a five hour day on the road at forty cents an hour. That would mean $2 a day. If they get a better job, let them take it; but in the meantime those who will work will be quite satisfied and those who will not work—well, let them either work or go hungry. The government would find that that would satisfy the men and it would be doing a work that we are all anxious to see completed, namely, the trans-Canada highway. Of course the minister may say that that is a matter for the province; granted, but a little bit of cooperation would bring about the desired result. The trouble could have been settled in one day had some such suggestion as that been followed; when the mayor of Vancouver wired the acting Prime Minister (Sir George Perley), had the latter wired back: "All right, I will put the men on the highway," or made some announcement to that effect, everybody would have been satisfied and the men would have gone back to the camps. Let the government put them on the road, and let them buy and pay for their board. That short day, at $2 a day, would not interfere with the regular logging, lumbering and mining industries.

Mr. BEAUBIEN: Item 11 reads:

To provide for the construction and development of public buildings, camp sites—

And so forth. Is that money all to be spent in the national parks or may it be spent wherever the minister feels disposed to spend it?

Mr. STEWART (Leeds): In the national parks, property that is under the absolute control of the dominion. There is no provision in this vote for any money to be spent on provincial highways. Such provision would have to be made under the relief act by agreement with the provinces.

Mr. BEAUBIEN: How much of this amount will be spent in Manitoba?

Mr. STEWART (Leeds): Riding Mountain park, $62,000.

Mr. BEAUBIEN: Any other places?

Mr. STEWART (Leeds): Waterton Lakes National park. Is that in Manitoba.

Mr. VALLANCE: That is in Alberta.

Mr. STEWART (Leeds): Is there any national park in Manitoba other than the one I have mentioned?

Mr. BEAUBIEN: There is the Turtle Mountain reserve. Will anything be spent there?

Mr. STEWART (Leeds): There is nothing appropriated for it.

Mr. BEAUBIEN: Do I understand from the minister that out of this vote of $1,500,000, the item of $62,000 for Riding Mountain national park is all that will be spent in national parks in Manitoba?

Mr. CAMPBELL: I notice one part of this item reads:

> To provide for the development of historic sites including buildings, repairs and restorations.

Have any plans already been made as to what sites are to be restored?

Mr. STEWART (Leeds): The provision that is made for historic sites is $27,000. Under that heading I find a note as follows:

> Fort Louisburg: restoration, preservation and improvement, $5,000.
> Fort Prince of Wales: restoration and renovation as per engineer's report, $18,500.
> Fort Anne, Annapolis Royal: completion of repairs to building, $3,500.

Mr. CAMPBELL: Is that the entire amount that will be considered under this vote, or are any other requests being considered?

Mr. STEWART (Leeds): These are the only items for which provision is made under this vote.

Mr. CAMPBELL: Is there any money left of this $1,500,000 that is not appropriated?

Mr. STEWART (Leeds): These estimates are not final, and as the amount is all one and, as my hon. friend will observe, no specific appropriation is made for any particular site, if the work in one does not cost as much as is estimated the balance will be available for something else.

Mr. CAMPBELL: Might I make a suggestion to the minister to pass on to the Minister of the Interior? Fort Henry, which I think is quite well known to the minister and which is located at Barriefield on the Barriefield common, is one of the oldest forts in Canada, especially in Ontario. The historical association I think have requested on several occasions that something be done to restore it. Such restoration might increase the tourist business, and the Minister of Railways as the tourist king of Canada should be interested. May I ask the minister to pass on the suggestion that consideration be given to the restoration of this fort out of this vote?

Mr. STEWART (Leeds): That would be under the control of the Department of National Defence rather than the Department of the Interior. As the minister of that department is here, no doubt he has taken note of my hon. friend's suggestion.

Mr. HEAPS: I wish to revert to the question raised by the hon. member for Winnipeg North Centre (Mr. Woodsworth) in regard to the wages to be paid for the work proposed in this schedule. The minister was not at all explicit as to the wages that will be paid where the work is done by direct labour, that is by the government undertaking the work. The government should at least live up to its own legislation. We passed this year a minimum wage bill. I would ask the minister to be explicit and tell the committee that all the works undertaken under this item or other items will be paid for according to the fair wage clauses which are in effect in the respective provinces.

Mr. STEWART (Leeds): As this is under the Department of the Interior I have not an intimate knowledge of the intentions of the minister with respect to these works. I do know with respect to any work that is done under contracts that the provision is binding upon the minister of that department as of any other; he must provide for payment of current rates of wages. If the work is done by camp labour I do not know what the regulations are.

Mr. HEAPS: That is just the difficulty. I assume that some of these works may be undertaken by the government itself, and not through a contractor, in which case I am asking that the government observe its own law and pay fair wages. It may be done by departments other than the Department of

Public Works, but the policy of the government should be the same whatever the department involved. They should all pay fair wages according to the law which the government itself has put upon the statute book in recent months. I should like the minister to give the assurance that all the men employed in these undertakings will receive wages in accordance with the fair wage schedules of the provinces in which the work is carried on.

Mr. STEWART (Leeds): I think I can give the information which my hon. friend desires, as a note has been sent to me by an official of the Department of the Interior. It says that for all day labour the Interior department pays fair wages as recommended by the Labour department. Then as to British Columbia, I can tell the hon. member that the Minister of Labour has been authorized to enter into arrangements with British Columbia for the improvement of the park.

Mr. DONNELLY: I notice that under item 11 the government is providing for the construction of electric light and telephone systems. I should like to know where they expect to build these systems and what kind of systems they intend to put in. Where are these telephone systems to be installed?

Mr. STEWART (Leeds): They would be in the national parks.

Mr. DONNELLY: What kind of electric light system is it intended to put in?

Mr. STEWART (Leeds): I really do not know.

Mr. DONNELLY: Is it intended to bring in engines, or use water power, or what kind of system do you expect to build?

Mr. STEWART (Leeds): I do not know.

Mr. DONNELLY: No information whatever? What about the telephone system; is it to be just around the park, or connected with the outside?

Mr. STEWART (Leeds): I am sorry I cannot give my hon. friend any more information about that.

Mr. DONNELLY: Does the minister think that is a satisfactory answer? He should know something about what he is going to do with this money. Perhaps it is to get some light on the political situation.

Mr. STEWART (Leeds): I think I can give my hon. friend some information. It is partly in Banff park, in the new administration building, installation of telephones, electric bells, et cetera; purchase of essential furniture and transfer of office equipment from present quarters to the new building, $2,500.

[Mr. Heaps.]

Mr. BOTHWELL: The hon. member for Willow Bunch (Mr. Donnelly) has almost taken the words out of my mouth. I see this item 11 provides for:

The construction and development of public buildings, camp sites, electric light and telephone systems, highways, bridges, streets, sidewalks, landing fields, air harbours, trails, water and sewer systems, recreational areas, wharves, and river protection works; to provide for the development of historic sites including buildings, repairs, and restorations; to provide for the purchase and acquisition of building sites, also to provide for the construction of the Golden-Revelstoke (Big Bend) section of the trans-Canada highway.

It seems to me that the committee is entitled to details of the moneys to be appropriated for these various items. For instance, I should like to know how much they are going to spend on electric light and how much on highways, how much on bridges and how much on sidewalks, how much on landing fields and how much on water and sewer systems. The minister must have some details; he should give the committee some information as to the way he is going to spend the money.

Mr. STEWART (Leeds): I think I can give the hon. member the information he desires:

Golden-Revelstoke highway:
(a) Donald-Canoe river section (east leg), $185,000.
(b) Revelstoke-Canoe river section (west leg), $275,000.

To be applied in extending work on main trunk highways such as Banff-Jasper and Golden-Revelstoke, $300,000

Yukon territory:
Landing fields and highways, $40,000.

Northwest Territories:
Landing fields and air harbours, etc., $17,400.
Banff National park, $164,700.
Elk Island national park, $21,000.
Glacier national park, $2,500.
Jasper national park, $219,500.
Kootenay national park, $54,000.
Prince Albert national park, $60,700.
Riding Mountain national park, $62,000.
Waterton lakes national park, $24,200.
Yoho national park, $32,000.
Engineering supervision, $15,000.
Historic sites, $27,000—Total, $1,500,000.

Mr. BOTHWELL: Would the minister kindly tell us where these historic sites are to be established and how the money is to be spent?

Mr. STEWART (Leeds): Yes:

Fort Louisburg: restoration, preservation and improvement, $5,000.
Fort Prince of Wales: restoration and renovation, $18,500.
Fort Anne, Annapolis Royal: completion of repairs, alterations and improvements to building, $3,500.

Mr. DONNELLY: Will any of this be spent on the highway north of lake Superior, in Ontario?

Mr. STEWART (Leeds): No.

Mr. TOTZKE: I should like to ask if the minister will permit this item to stand. The hon. member for West Edmonton (Mr. Stewart) is desirous of securing some information, and he will be in later in the evening.

Mr. STEWART (Leeds): I have no objection whatever, if he will be in later.

Item stands.

Item 12—Lac Seul protection works, $175,000.

Mr. CAMPBELL: I should like to ask the minister just what this work consists of, where it is and the nature of it.

Mr. STEWART (Leeds): With the indulgence of the committee I will read a memorandum that has been left by the minister, because I have no personal knowledge of the matter.

The Lac Seul Conservation Act, 1928, confirmed an arrangement between the dominion, the province of Ontario and the province of Manitoba for the construction of a conservation dam at the outlet of lac Seul and for the regulation of the outflow from the lake in the interests of the water power development in Ontario and Manitoba. The Lake of the Woods Control Board was charged with responsibilty of regulating lac Seul in conjunction with its responsibility for regulating the Lake of the Woods.

During the past season the run-off in the lac Seul watershed reached extreme flood proportions and as a result of these conditions and in order to maintain the necessary power supply for the mining operations in the Red Lake district, Ontario raised the lake to elevation 1158·95 on April 1, and to elevation 1167·24 on July 15, thus causing considerable flooding of the foreshore timber and other foreshore interests.

The lake was drawn down to elevation 1162·30 by April 15 of this year. Since that date the lake has risen to above 1164, which is more than 2 feet higher than the maximum natural water level (i.e. elevtion 1162). It is anticipated that in the forthcoming months the lake will again reach levels as high as those reached last year.

The lac Seul agreement of 1928 provides for a maximum elevation of 1172, with payment for any damages caused by raising the water level above natural levels.

As a result of repeated protests from Hudson, an investigation was made by representative dominion government engineers assisted by engineers of the National railways. It appears that because of the raising by the province of Ontario of the waters of lac Seul reservoir, certain protection works will be necessary to safeguard the waterfront and the railway main line right of way.

In past years damage has been caused to the railway embankment which, at this point, borders upon the lake for a distance of 3½ miles. Temporary repairs have been made to the embankment by the Canadian National Railways from time to time. During the high water last year, serious damage resulted to the embankment, necessitating extensive and hurried repairs. Permanent riprapping is necessary for the safeguarding of the through line traffic.

Under the terms of the original lac Seul agreement any works which may be necessary for the construction and maintenance of the reservoir and for the repair of any damage are chargeable three-fifths to the dominion (to be refunded by Manitoba) and two-fifths to Ontario. However, there are certain features relating to this present situation which must be discussed with both Ontario and Manitoba before the work is undertaken and arrangements for apportioning the cost settled.

So this is for riprapping along the shore of lac Seul, where damage has been caused to the Canadian National roadway. Some arrangement is to be made with the provinces.

Mr. CAMPBELL: Is the work to be done by the railway?

Mr. STEWART (Leeds): It is to be done by this government, and a contribution is to be sought from Ontario and Manitoba.

Mr. CAMPBELL: By which department?

Mr. STEWART (Leeds): That has not been decided as yet, but the matter comes under the Department of the Interior because they have charge of the water-powers, and the agreement was negotiated through that department. Probably the work would be undertaken by the Department of Public Works.

Mr. McKINNON: I assume that the fair wage clause will apply to that work?

Mr. STEWART (Leeds): Yes, certainly.

Mr. HEAPS: Will the minister say how much money has been spent altogether on the lac Seul proposition?

Mr. STEWART (Leeds): I have not that information. I assume that my hon. friend is referring to some clearing work that has been done by the Department of National Defence.

Mr. HEAPS: There was work done before that, but I should like to remind the minister that the clearing work done by the Department of National Defence was on the basis of twenty cents per day. I hope this work will be done under the fair wage clause.

Mr. STEWART (Leeds): I am informed that no other work has been done since the dam was built, other than the clearing to which my hon. friend has referred.

Mr. McKINNON: Is it proposed to do this work by contract?

Mr. STEWART (Leeds): That, of course, would be determined after an investigation, and upon the report of the engineers, on the authority of the governor in council.

Mr. DONNELLY: Did I understand the minister to say that the roadbed of the railway was being endangered by the water of the lake and that it was necessary to have the roadbed riprapped in order to protect it?

Mr. STEWART (Leeds): Yes.

Mr. DONNELLY: How does that come to be work that must be done by the department?

Mr. STEWART (Leeds): The railway runs right along the shore.

Mr. DONNELLY: But why should it come under the Department of the Interior; why should it not come under the railway? It is a railway matter, so why should it come under this bill?

Mr. STEWART (Leeds): It comes under the agreement that was made for the erection of this dam.

Mr. DONNELLY: With whom?

Mr. STEWART (Leeds): Between the province of Ontario, the province of Manitoba and the dominion. The dominion has the responsibility for it. It is not a railway matter at all; the dam was not built by the railway.

Mr. MacINNIS: With further reference to this matter of fair wages, I think the government should be able to give us once and for all a very definite answer to this question. The title of this bill is:

An act to create employment by public works and undertakings throughout Canada and to authorize the guarantee of certain railway equipment securities.

If this were an act to provide for relief we would call it an act to provide for relief. It is an act to create employment, but that should be employment on a fair wage basis, under which the fair wage clause of the dominion government regulations should apply in every instance. I think there should be no difficulty in getting the government to give a definite assurance to the house that this will be the case. Personally I think we would all vote for this measure on that basis, but I should be very reluctant to vote for it if this money were to be expended on a relief basis. I think the minister should give us that undertaking.

Mr. STEWART (Leeds): I can hasten to assure my hon. friend that any works done under the provisions of this act will carry the fair wage clause. They will not be done by relief labour at all.

Mr. POWER: Under the act they must carry that clause.

Mr. STEWART (Leeds): Exactly.

Item agreed to.

Item 13—Bridge at Ceepee, Saskatchewan, $225,000.

Mr. McINTOSH: Since this item concerns a bridge at Ceepee in the constituency of North Battleford I think perhaps it would be in order for me to say a few words in connection with it. In beginning I should like to ask the minister some pertinent questions. Will this be only a highway traffic bridge or will it be a combination bridge that will take care of both railway and highway traffic?

Mr. STEWART (Leeds): It is not intended to take care of rail traffic.

Mr. McINTOSH: There was then no consideration given to a combination bridge with the Canadian National railway at this point?

Mr. STEWART (Leeds): I think not.

Mr. McINTOSH: Or the Canadian Pacific railway?

Mr. STEWART (Leeds): I think not.

Mr. McINTOSH: Is the minister and the department utilizing a plan for this bridge which I understand is on file in the government offices in Regina, or is there a new plan being made for this bridge?

Mr. STEWART (Leeds): No decision has been made as to whether the bridge will be of steel or of concrete construction. No plans have been prepared or adopted.

Mr. McINTOSH: Nothing has been done so far as the department is concerned in connection with the plan that I understand is on file in the government offices in Regina?

Mr. STEWART (Leeds): No.

Mr. McINTOSH: After this item is carried and the bill passes the house and is sent to the senate and passes there and becomes law, how long will it be before the actual building of the bridge gets under way?

Mr. STEWART (Leeds): Just as soon as plans and specifications can be prepared and tenders invited.

Mr. McINTOSH: Can the minister state in a more definite way how long it will likely be before construction is started?

Mr. STEWART (Leeds): I think construction should be well under way this fall before the winter season sets in.

Mr. McINTOSH: Has the minister any idea of the number of men who will be employed in the construction of this bridge?

Mr. STEWART (Leeds): No.

Mr. McINTOSH: He has no idea?

Mr. STEWART (Leeds): No.

Mr. McINTOSH: Is it the intention of the department to utilize straight relief labour or mechanical means in the building of this structure?

Mr. BEAUBIEN: May I ask if the name of this bridge is an Indian name?

Mr. STEWART (Leeds): I think it must be.

Mr. BEAUBIEN: Are they all Indians in that county?

Mr. STEWART (Leeds): I do not know, but the Indians are not all there.

Mr. BOTHWELL: I want to say a word or two in connection with this vote. I am sure the minister has been deluged with resolutions, petitions and personal requests to build a bridge across the south Saskatchewan river at a place called Saskatchewan Landing. Ceepee to most people in western Canada means just the crossing of a river. I am doubtful whether a bridge there is justified. But the minister must have come to the conclusion from the resolutions and petitions he has received that it is the duty of this or some future government to build a bridge across the south Saskatchewan river at Saskatchewan Landing. It does seem to me that instead of voting $225,000 for this bridge at Ceepee which is not needed to any comparable extent with the need for a bridge at Saskatchewan Landing, the money might be devoted towards building a bridge where it is really needed in that province. I would ask the minister to read the petitions and resolutions he has received and consider the facts that are given to him in those resolutions, and I trust that he will then conclude to divert this $225,000 to the construction of a bridge at Saskatchewan Landing.

Mr. VALLANCE: May I hasten to assure the hon. member for Swift Current (Mr. Bothwell) that he does not seem to know the geography of the province of Saskatchewan. If he will look even at a road map of the province he will find that this bridge at Ceepee is being built on the Jasper highway, which is one of the main arteries of road transportation in the province of Saskatchewan, running from the city of Saskatoon, through the city of Battleford and on through to Edmonton, a road of the best type, one hundred per cent, mostly gravel highway, there being only seven or eight miles that are not gravelled. I know Saskatchewan Landing which my hon. friend from Swift Current speaks of, and I believe it is very necessary that a bridge should be built there some time. I rose merely to correct his statement that a bridge is not necessary at Ceepee. There is probably more traffic crossing on the ferry at Ceepee than on any other ferry in Saskatchewan, and in my opinion a bridge is very necessary there because it will serve all the towns lying between Saskatoon and Edmonton. It is on a through route, in fact, from Saskatchewan to Alberta, and is one of the most travelled highways in the province of Saskatchewan.

Mr. BOTHWELL: The hon. member for South Battleford (Mr. Vallance) does not yet seem to realize that a bridge at this particular point should be either a provincial or a municipal matter.

Mr. DONNELLY: Just a word with regard to the necessity for a bridge at Saskatchewan Landing which my hon. friend from Swift Current (Mr. Bothwell) speaks about. This crossing on the Saskatchewan river is on a highway. There is a highway running north and south connecting the central part of Saskatchewan with the main line of the Canadian Pacific. It is a gravelled road on which there is a great deal of travel. One of the reasons why a bridge should be built across the Saskatchewan river at Saskatchewan Landing arises out of the fact that because of the very nature of the south Saskatchewan river, banks are thrown up in it every summer, producing shallow spots which during the past two or three years have made it very difficult for the ferry to cross without going aground. I was on the ferry

myself when it was aground for more than an hour and unable to get across. We have continually to move the ferry from place to place in order to get where there will be sufficient water for it to cross. The occurrence of these shallow areas makes it very difficult indeed to run a ferry, and therefore the necessity for a bridge is very great. Whether the need is greater there than it is at Ceepee I do not know.

Mr. VALLANCE: What you need is more water.

Mr. DONNELLY: That may be true, and I hope we shall get it this year. But in any case, whether it be the business of the municipality, the province or the federal government, it seems to me that a bridge should be built at Saskatchewan Landing.

Mr. McINTOSH: Mr. Chairman, when I was interrupted I was asking the minister about the possibilities of using straight relief labour in the construction of this bridge at Ceepee. Has he anything further to say on that point? Will he endeavour to see that relief labour in the district is used?

Mr. STEWART (Leeds): Mr. Chairman, I would expect that this bridge would be constructed under contract, and the contract will contain provisions as to the employment of labour in the locality, those most in need and returned soldiers. With regard to the importance of these two bridges, the information we have on file is that the number of crossings at Ceepee in the year 1933 was 80,000 and at Saskatchewan Landing 55,000, and we have selected the point where we found the traffic was the heavier.

Mr. DONNELLY: Has any consideration been given to the possibility of having a bridge at Saskatchewan Landing and a tunnel at Ceepee? This government is great on building tunnels, and they might give us one at Ceepee.

Mr. GARLAND (Bow River): How many other bridges is the dominion government going to build along this highway? What justification is there for the government entering the field of bridge construction?

Mr. STEWART (Leeds): My hon. friend has raised a very pertinent point. As a matter of strict obligation, the dominion government should not be in this field at all. Such bridges should be constructed by the provinces except possibly where they are on the trans-Canada highway, towards which the government contributes fifty per cent.

[Mr. Donnelly.]

Mr. GARLAND (Bow River): Or an international bridge.

Mr. STEWART (Leeds): Or an international bridge, as my hon. friend suggests. This is a measure for the relief of unemployment and there are not many harbours or other places where we can do work of this kind in Saskatchewan. That province has practically all the necessary public buildings, and it was thought only fair to provide a reasonable amount under this bill. It was decided that this was as good a way as could be found to provide this work.

Mr. BOTHWELL: When these moneys are voted are they allocated definitely for the purpose set out in the bill, or can they be diverted to needful works?

Mr. STEWART (Leeds): I would say they cannot be diverted, no matter how needful the work may be.

Mr. BEAUBIEN: I should like to make a suggestion to the minister in connection with spending money for this purpose. I think the minister could relieve unemployment and do something which would be more useful and beneficial if he would have dams built at intervals along some of the rivers and streams in the west in order to keep the water level at such a point that the people living along the streams may get their supply of water. People have settled along the banks of the Red river and many bridges are necessary across that river, but I think water in the river is even more necessary. I understand that the government of the United States is going to dam the Red river at a point close to the boundary, and if that is done the water in this river will become even more putrid than it has been during the last few years. Along this river the water in the wells is so hard and alkaline that even the horses will not drink it. I ask the minister to have his district engineer in Winnipeg look over this river and see if it would not be possible to construct small inexpensive dams at different places in order to raise the level of the water say two or three feet so that the people along the river may be able to get a supply of better water.

Mr. STEWART (Leeds): I am inclined to think that the suggestion made by my hon. friend comes within the scope of the program being laid down by the Minister of Agriculture (Mr. Weir) for the conservation of water in the three western provinces, which program is now being studied by a special committee. This would appear to be the best way of accomplishing the result my hon. friend has in mind. The difficulty of constructing dams

without provincial authority is apparent, and even if that authority is obtained there are the rights of the riparian owners to be considered. People living along a stream are entitled to the natural flow, and if the flow is retarded or increased there may be many and costly claims for damages. This matter would require special consideration and perhaps special legislation, but I shall draw it to the attention of the engineers of the department to see if there is any information which we could furnish to the Department of Agriculture.

Mr. BEAUBIEN: So far as I can find out, the work being undertaken by the Minister of Agriculture (Mr. Weir) is to take care of the dried out areas in the three western provinces. The district along the Red river to which I refer is not dried out from the point of view of sufficient moisture with which to grow crops, but it is as far as actual water in the river is concerned. There is a vote of $2,500,000 in this schedule for harbours and rivers generally, and very little of that amount is to be expended in Manitoba. Another vote of $1,500,000 is being provided for the Department of the Interior, of which only $62,000 is to be expended in Manitoba. I notice the Minister of Railways (Mr. Manion) looking at me; probably he is going to finish the Mafeking cutoff before the session is ended. Surely this condition along the Red river could be investigated and some relief provided out of this vote of $2,500,000. I have taken up this matter with the province of Manitoba but they are not in a position to do anything, because the federal government claims that the Red river is a navigable stream and under its jurisdiction. Will the minister have Mr. Goodspeed, the district engineer in Winnipeg, look into this matter and report to the department whether something cannot be done to raise the level of these waters? At many points along this river the traffic must cross on ferries, and quite often there is not sufficient water to permit the ferry boat to cross.

Mr. STEWART (Leeds): I have no objection to securing a report as to the feasibility of this proposition.

Mr. BEAUBIEN: If the district engineer reports favourably will the minister hold back part of this $2,500,000 vote to do this work?

Mr. STEWART (Leeds): I will consider that.

Mr. BOTHWELL: After listening to this discussion I have come to the conclusion that the minister is not particularly enamoured of the word "Ceepee." I suggest to him that that should be changed to "Saskatchewan Landing," and I should like to move an amendment to that effect. This bill is intended to provide work, and there is no place more worthy of assistance than the district in which the Saskatchewan Landing bridge would be built. I suggest to the minister that he change this location to Saskatchewan Landing.

Mr. STEWART (Leeds): If my hon. friend can get the hon. gentleman who spoke for Ceepee to second his motion, then we will consider it.

Mr. McINTOSH: I asked the minister a few questions, to which he gave certain answers. These were simply preliminary; I should like to add a few observations in connection with this measure. I may say that my remarks will be more in the nature of commendation than condemnation; I want to commend the minister and the government for taking the action they have in the matter of the construction of a bridge at this point. The bridge will cross the north Saskatchewan river at Ceepee, and will fill a long felt want in that part of the province. John Morley once said that there were three attributes which were essential to parliamentary eloquence or parliamentary discussion. One was, who did the speaking. another, how he spoke; and the third, what he said. To-night, in the discussion of this project, we can throw out the last to a large extent. There has not been much said on it yet—that is, not much that is constructive. A good deal of extraneous material has been introduced. How what was said was said, and who said it, are important, but there has not been the opportunity to say very much. Very little information has been given the committee so far. Now I should like to give some.

It is not necessary to persuade the government or the committee because that persuasion has already taken place and the bridge project has been accepted by the government, so that in time it will be constructed. Therefore, so far as those who have spoken are concerned, and how they uttered what they did say, and what they said, did not make much difference from the point of view of persuading the ministry because, as I say, that persuasion had already been accomplished.

May I say I am glad to see this bill on the order paper; there is no doubt that the house will adopt it. The government has a sufficient majority to put it through and will put it through and if necessary, my vote will help to put it through. May I say that the

very fact that the bill is on the order paper is proof that the unemployment problem in that part of northern Saskatchewan has not been adequately solved. That is why I asked some questions as to whether or not straight relief work would be done in the construction of the bridge. I gather from what the minister said that a good deal of it will be of that kind. Now it is better late than never to have a bridge of this kind erected, and though it has been a long time coming, I think I am justified in saying that the government has done the right thing by that part of the province.

In 1930, subsequent to the election of that year, the dominion director of unemployment relief sent out a questionnaire to every member in western Canada and in the east as well. It had reference to useful projects that would help to absorb the unemployed of that day and most of the members east and west replied to it. At any rate, speaking for myself, I forwarded my reply, and I recommend that a certain number of projects should be supported by the government in northern Saskatchewan in order that useful development works might take place and also with a view to having the unemployment problem grappled with in a satisfactory manner. I recommended surface gravelling of important highways in northern Saskatchewan, especially in northwestern Saskatchewan. I also recommended branch line railway building; I suggested that there should be a branch line from St. Walburg to Beaver Crossing, and another branch line a certain number of miles south of that branch, between Frenchman's Butte and a point called Heinsburg in Alberta.

Furthermore, this bridge was recommended. I would point out that it was recommended in 1930, five years ago. Now in 1935 action is being taken. I commend the government for taking this action but considerable time has elapsed since the recommendation was made in 1930 and I do submit that it would have been better if the bridge had been built four or five years ago. A branch line railway was also recommended out of Borden to join the railway between North Battleford and Prince Albert so as to afford the farmers of that area better railway accommodation, something they do not yet enjoy. Indeed, that is a problem which will have to be met in the near future. Nothing was done in regard to this bridge in 1931, nothing was done in 1932 or 1933 or 1934; not until 1935 in the last session of this parliament has the government taken action. As I say, it is better late than never and I am pleased that the government is backing this measure and that it will become law. To show the importance of this project all that one has to do is to consult the geography of western Canada. If one knows anything about Saskatchewan, if he knows what a great province it is, embracing 250,000 square miles of territory, if he knows anything about the development that has taken place in that great area in the last twenty-five years, he is bound to come to the conclusion that this bridge is an absolute necessity. It will be a link in the Jasper highway, a link in the highway through northern British Columbia, northern Alberta and northern Saskatchewan, and will very materially facilitate the traffic through North Battleford, Saskatoon on to Winnipeg, and to eastern Canada.

At the present time there is only a ferry service at the point known as Ceepee. It cannot by any means accommodate the large amount of traffic that flows along the highway from the north through North Battleford and down to Winnipeg. That northern country in the last few years has taken a new lease of life. The people from southern Manitoba, southern Saskatchewan, southern Alberta and other parts of the dominion have been going into that northern area which is practically an empire in itself. It is thickly populated. This bridge therefore will be a very useful link in that highway and will prove an important aid to traffic from all parts of that northern area. It will be a great benefit to all those who are doing any trucking or transporting of goods to and fro along that highway. I would point out, moreover, that this bridge could be utilized to a large extent by the department in absorbing unemployed who are on relief in that part of the province, and since there are some unemployed I should think that those who are near to this location in Saskatoon and North Battleford and also in the rural areas should be given the preference when the bridge is being built. That would give them an opportunity for work and wages.

May I urge upon the minister and the department the importance of getting the work under way as expeditiously as possible. I am satisfied that when the bridge is constructed all those associated with its erection will receive commendation from people of all shades of political opinion, something only right when we consider that the contract will involve over $200,000 and that this structure will constitute a permanent link in one of the most important highways in the dominion.

Mr. BURY: I wish to make a brief contribution to the harmony, indeed the unanimity, that has prevailed among hon. members opposite on the subject of bridges by interjecting another bridge which I wish to call

to the attention of the minister. On the same highway on which this Ceepee bridge is to be constructed, there is another necessary link, a bridge over the North Saskatchewan river at the northern part of the city of Edmonton. We have no ferry there as my hon. friend who represents North Battleford (Mr. McIntosh) has at the site of the proposed bridge in his constituency, and people taking that highway, coming from Lloydminster and Saskatoon and, I suppose, going through North Battleford, when they come to the bank of the North Saskatchewan opposite Edmonton have to make a detour of fifteen miles or perhaps more in order to get back on that highway. I would urge upon the minister consideration of the possibility of utilizing an amount from this vote for the purpose of completing the good work which he proposes to commence at Ceepee, by putting up another bridge over the North Saskatchewan river at Edmonton.

May I, while I am on my feet, remind my hon. friends opposite that this particular item of the vote demonstrates what they are so loath to admit, namely, the broad mindedness and lack of political partisanship of the present government in respect of relief; for whereas the hon. member for North Battleford is able to get a bridge at Ceepee, I have so far failed to get a bridge in my constituency of East Edmonton over the North Saskatchewan.

Mr. McINTOSH: We will help the hon. member to get one there some time.

Mr. BURY: I hope, if I do not get it this year, I may get it next, and in the very remote possibility that by an extraordinary freak of circumstance my hon. friends opposite find themselves on this side of the house, I may get it from them if I cannot get it from my own party.

Mr. DONNELLY: Following what has been said by the hon. member for East Edmonton (Mr. Bury) and the hon. member for North Battleford (Mr. MacIntosh), I just wish to say that probably this Ceepee bridge will be needed in the near future. I hope and trust that southern Saskatchewan will continue to have the rains which it has been having in the last few weeks and will continue to have them for the next year or two. If the rains continue that bridge will be needed in order that the people who migrated north of the North Saskatchewan may return south, because I assume they will all come back after having migrated to the north about which the hon. member for North Battleford spoke.

As regards unemployment, I fail to see why the people in that district should be unemployed. They have been having good crops for the last few years. This is in a country section some distance from a city. Why should there be a lot of unemployment there? The situation is entirely different in the southern part of the province where the people have had no crops for six years. Why at the time of the election last summer should a lot of money have been sent in to the northern part to relieve unemployment and to build roads while nothing was done in the southern part, where the people had no work, no crops, nothing to do and were living entirely on relief? It looks as if this action was taken to help out not so much the unemployment as the political situation. However, it did not do a great deal of good anyway in the election last June.

I wish to compliment the minister upon his saying that in looking over the proposition they decided to spend $225,000 on bridge work in Saskatchewan because that province has no harbours or wharves, breakwaters and things of that kind to construct. I notice what he said with regard to the money that is to be spent, namely $500,000 for building dams and $750,000 for rehabilitating the dried out area. Well, the Minister of Agriculture (Mr. Weir) was out in the west, but he did not come into the central part of the dried out area. I have the misfortune to represent the constituency of Willow Bunch in the central part of the dried out area, and I did not see anything of the Minister of Agriculture there, nor did I hear of any proposition to build dams or reservoirs or anything else in my constituency. He went around on the outside of it. I notice there was a proposition in the west in the Cypress hills to dam the Frenchman river and the White Mud. There was another proposition in the northern part to dam the Saskatchewan river, and another to build a reservoir or dam on the Souris river in the Estevan district, but I did not hear of any proposition in regard to Willow Bunch. It looks as if what the people out there say is true, that this proposition of building dams is not to dam the water but to damn the Grits; it is a political manoeuvre. The people say: When the next election comes around we will have a pork barrel election; we will have these dams all over and people surveying them in all parts of the west.

An hon. MEMBER: The government will be damned.

Mr. DONNELLY: They will be the ones that will be damned, and not the Liberal

party; it will come back on the government just as it did last June. There will be a lot of parties sent out looking for farms for strip farming, tree planting and that kind of work. There will be another lot of people prospecting for gold. We expect to see them going over all the hills looking for gold. There will be another lot travelling around from farm to farm, asking the farmer if he does not want a loan and saying: Come up before the debt adjustment board; we will adjust all your debts and lend you money at five per cent; there will be no more of this eight or nine per cent. Of course there will not be any amount of money lent until after the election. There may be some small sums lent here and there just to entice people to think they are going to get the money, but there will not be much done. I do hope the minister will be just as sincere with regard to the constituency of Willow Bunch and the people there as he tried to show he was towards the people of Saskatchewan, and that when it is a matter of building dams and putting in reservoirs he will not forget that there are sites in the constituency of Willow Bunch in the centre of the dried out area that he might work on just as well as in some of the other constituencies round about.

Mr. SEGUIN (Translation): Mr. Chairman, it is not to object to the $4,000,000 vote that I rise at the present time. I believe that in proposing this vote the government wishes to redeem the monumental error they committed in spending million after million to maintain people in idleness, instead of employing them at useful work. I should consider myself recreant to my trust if on this occasion, when a large sum is sought for public works, I did not once more ask the Minister of Public Works to use part of this $4,000,000 to rebuild the post office at L'Assomption.

Many times have I drawn the minister's attention to this matter, even showing him a photograh that I can now exhibit to the house. The present building, supported by props, is a disgrace to the town of L'Assomption and to the government. Its reconstruction or permanent repair is not only absolutely necessary, but would help to relieve unemployment. When I insisted on its reconstruction, a few more stays were simply added to prevent the building from crumbling. And when I repeated my request last year, a coat of paint was applied to the props in an endeavour to improve the appearance of this tottering structure owned by His Majesty. It is not too much to ask, now that a vote of $4,000,000 is before the house, that a reasonable sum be devoted to providing the town of L'Assomption with a less disgraceful post office than it now has.

Many people in my district are out of work. During the past few years the government has had to disburse vast sums to maintain people in idleness, when they could have been employed at useful work. A post office has long been sorely needed at St. Lin des Laurentides. It had been decided in 1910 to build one, but unfortunately a change of government took place as the work was about to begin, and it was not proceeded with. Now that the government intends spending money to relieve unemployment, I think it would be proper to devote part of the $4,000,000 to the construction of a public building in the town of St. Lin des Laurentides.

May I remind the minister that my district contains a large number of farmers who grow vast quantities of tobacco. The construction of warehouses would prove a great advantage to the tobacco producers. There is urgent need, in many parishes of my district, of warehouses to enable the tobacco growers to market their product in good condition and at the right time.

I therefore suggest to the hon. minister that he relieve unemployment in my district by providing from this vote a sufficient sum to build warehouses, for example at L'Epiphanie, at St. Jacques l'Achigan, at St. Esprit, at Ste. Julienne, at St. Alexis. Should he find that I am asking too much and that the building of small warehouses here and there will prove too costly, I would ask him to build one large one, say in the town of Joliette, where the farmers of L'Assomption, Montcalm and Joliette counties could store their tobacco, keeping it safe and in good condition until the time came to market it at a decent price.

I respectfully submit these various propositions to the consideration of the minister. I could also add a request for the construction of the dam at Charlemagne that the Chambers of Commerce of L'Assomption and L'Epiphanie have already asked for. Senator Rainville, chief organizer of the Conservative party, has promised that a grant would be made for that purpose. I would point out to the hon. minister that this project is very important and will increase the value of all the land fronting on L'Assomption River. I would ask him to endorse the promise given by Senator Rainville and pro-

vide a sufficient amount to erect this dam that will make L'Assomption River navigable once more and give to the whole district the benefit of the fine stream that the present bed of the river makes possible.

That is all I am going to say. I trust the hon. minister will take these requests under consideration and will not fail to grant at least one or two of them, among others the rebuilding of the post office at L'Assomption, which is a disgrace to the town and district, the construction of a large warehouse at Joliette, of a dam at Charlemagne and of a post office at St. Lin.

Mr. STEWART (Leeds): I gather that my hon. friend is making representation in regard to the construction of public buildings in his constituency. I shall read in Hansard to-morrow very carefully what he has said and see what can be done about it.

Mr. ELLIOTT: I wish to make a suggestion that I hope will meet with the approval of the minister and of the members of the committee. There is an amendment moved to the section on which this schedule is based, and it would be convenient for those in charge of that amendment if the minister and the committee could see their way clear to discuss it now. It involves a number of things which if they are out of the way may obviate discussion that might otherwise have to take place.

Mr. POWER: Shall we pass the remaining items of the schedule?

Mr. ELLIOTT: No, let them stand. I assume they cannot all be completed anyway.

Mr. STEWART (Leeds): There is only one other small item, No. 14, I suggest that we deal with that. And there is the item that is standing until the hon. member for Edmonton comes in. If this last item could be disposed of then I have no objection.

Item 14 agreed to.

The CHAIRMAN (Mr. MacDonald, Cape Breton): An amendment has been proposed to clause 2, as follows:

That section 2 of Bill 63 be amended by adding thereto subsection 2A:

2A. That in all employment arising out of the execution of such works and undertakings, whether under contract or by day labour (a) those most in need and available shall have first benefits from the employment to be created; (b) preference shall be given to unemployed and needy ex-service men and to unemployed and needy married men with dependents; (c) in no case shall discrimination be made in the employment of any person by reason of political affiliation, race, or religious views; (d) where such works or undertakings are of a local character and the expenditure involved does not exceed $25,000, all persons employed shall be residents of the locality in which the work is to be performed; (e) it shall be the duty of the minister concerned to see that the provisions of this section are complied with and, in respect of works or undertakings done under contract, he shall be entitled to cancel the contracts forthwith in the event of any breach of such provisions by the contractor.

Mr. STEWART (Leeds): During the recess I have carefuly studied the amendment prepared by the hon. member for West Lambton (Mr. Gray). It is drastic, severe in some of its limitations, and I suggest in some respects from an administrative standpoint perhaps impossible, fully to comply with. Some part of what the amendment proposes is already observed in the specifications and in the practice of the department. I am prepared to go a long way to meet the suggestions of the amendment, with the general purposes of which we are quite in agreement; there should be no discrimination, there should be preference for ex-service men, for married men with dependents, and also unmarried men with dependents, for whom the proposed amendment does not provide.

I have drafted an amendment to the amendment which I think will make for the same ends, and which I trust will be acceptable to the hon. gentleman. I move, seconded by Mr. Manion:

That section 2 of Bill 63 be amended by adding thereto the following:

Provided, however, that in the execution of such works, as far as practicable and consistent with reasonable efficiency and economy, first consideration shall be given to the employment of those who if available and competent are most in need in the locality in which the works are to be performed, without any discrimination whatsoever; preference being shown to unemployed ex-service men and unemployed married and single men with dependents; and that the minister of the department responsible for the execution of such works may take such action as he may deem necessary and proper to enforce compliance with the foregoing provisions.

Mr. GRAY: The amendment which I moved, seconded by the hon. member for Shelburne-Yarmouth, on the 17th day of April, has been read by the chairman and is on record in Hansard, so I feel sure hon. members have had an opportunity of considering it. I have not seen the amendment to the amendment, and did not hear it until the minister read it a moment or so ago, and while I appreciate the spirit in which the minister has viewed my amendment I feel that the amendment to the amendment is

too general, and that we cannot accept it. I feel that my amendment has teeth which will help to overcome some of the difficulties about which we have been hearing during the discussion of this bill. The hon. member for North Winnipeg (Mr. Heaps) has stated some of the difficulties with which we have been confronted throughout the dominion in connection with this public works program, and the hon. member for Provencher (Mr. Beaubien) has mentioned others. I quite realize the difficulties with which the government are faced; I quite realize that the government themselves are desirous of seeing that there is no discrimination and that certain preferences are lived up to, but I wish to point out that what has taken place in the past has caused that attitude on the part of the government to become nothing more than a pious hope. The first provision of my amendment is that:

(a) those most in need and available shall have first benefits from the employment to be created.

I realize that probably it is sometimes a little difficult to decide who are most in need, but in 1931 the government recognized that this provision should be in all contracts having to do with the work being promoted in the various municipalities. In their instructions issued under the unemployment relief act of 1931 they stated, in a bulletin issued by the Department of Public Works, that those most in need should first derive benefit from the grants, which should be apportioned with impartiality. The president of the United States, in announcing his relief program a week or so ago, stated that in all cases those on relief rolls should be first considered. I think that is the wish of the committee, and I believe it was with that point in mind that the hon. member for Provencher directed the attention of the minister this afternoon to a project in the city of Winnipeg on which, out of a total of some four hundred men employed, it had been reported to him that only about 150 had been taken from the relief rolls. So it is the intention of my amendment to put into the act a specific subsection stating first, as I have said, that those most in need and available shall have first benefits in the employment to be created. I do not think the government should object to that provision because, as I have said, they have already given similar instructions, though in many cases these instructions have turned out to be merely pious wishes.

[Mr. Gray.]

The next provision is that:

(b) preference shall be given to unemployed and needy ex-service men and to unemployed and needy married men with dependents.

I agree with the minister that we should include needy single men with dependents as well. First I should like to say a word as to needy and unemployed ex-service men. It is quite true that in the regulations issued, and I think in the contracts as well, it is stated that a reasonable quota of unemployed returned men shall be employed, but I think we would strengthen the hands of the government, of the minister and of the contractor if we inserted this provision. Apparently the minister recognizes this, because he is prepared to go that far in his amendment. I commend to the government the fact that they have already recognized that in this country there are large numbers of needy unemployed ex-service men. The Minister of Pensions and National Health (Mr. Sutherland) has appointed a commission, known I think as the Hyndman commission. In answer to a question asked this afternoon by the hon. member for Quebec South (Mr. Power) the Prime Minister (Mr. Bennett) stated that the report of this commission had not been received, but from the press one learns that the commission is hearing of the large number of needy unemployed ex-service men we still have in this country. I think it is to be deplored that during the five years they have been in office the government have not been busy classifying the unemployed of this country so that we might know how many ex-service men, how many men of different ages and so on are among them. I think we should have had that information long ago, but in any event in this program of unemployment relief which we are about to launch and in completing the construction program of 1934 I suggest that we should place upon the statute books the preference that is to be given to the needy unemployed ex-service men, the needy unemployed married men with dependents and, as the minister has suggested, and as I should be glad to include in my amendment, the needy unemployed single men with dependents.

The next provision of my amendment is as follows:

(c) in no case shall discrimination be made in the employment of any person by reason of political affiliation, race, or religious views.

I think in this particular also the amendment to the amendment is very general in its terms. I believe we could divide it up and place this provision in a separate subsection as I have tried to do in my amendment.

The government say in their bulletins they recognize that this should be the case, but again may I point out that hon. members have often stated to this house that this has not been followed in the works that have been undertaken during the past year. The government stated in their bulletins in 1931 that in no case should discrimination be made or permitted in the employment of or in the granting of direct relief to any British subject by reason of his political affiliation, race or religious views. But we all know that unless the minister has enabled to hold a club, so to speak, over the contractors, that is difficult of fulfilment. I am going to read a letter which my right hon. leader has received from the United Brotherhood of Carpenters and Joiners of America, just to illustrate what is taking place in one section of the country. I grant that the matter I am about to refer to does not come under the Minister of Public Works, but in view of the fact that this is a public works measure as a whole, he must take responsibility for it as well as the minister under whose department the particular work directly comes. The letter deals with the barracks being built at Calgary under the Department of National Defence. It is from Local Union No. 1779, and reads as follows:

> The members of the above local wish to inform you that when the building of the barracks at Calgary was announced it was generally accepted that the available work would be spread out to afford a maximum of assistance to the various classes of craftsmen which it might employ.
>
> Contractors opened lists for the carpenters who had worked for them at various periods, and many workmen hoped that after waiting many months for the work to begin that at least they would be able to get a few days' employment. Now we are to understand that the only hope of ever getting work on the barracks job is when his name is on the approved list which is furnished to the contractors.
>
> The members of Local No. 1779 request that when parliament is opened a protest be vigorously made against the practice of using this patronage list, as it is debarring carpenters who are loyal and have been citizens of this country for the last twenty-five to thirty years, also a large percentage of the members being ex-service men. Owing to this approved list being used certain carpenters are being given employment by the various contractors on the scheme, thereby making it impossible for others to get employment.
>
> Trusting you will give this appeal your greatest consideration,
>
> Yours truly,
>
> per Charles E. Scott,
> Recording Secretary.

This illustrates what has come to the attention, I feel sure, of many hon. members present. The minister a few days ago stated in reply to a question which had been raised by the hon. member for Winnipeg North Centre (Mr. Woodsworth).

> The government leaves it largely to the contractor whom he shall employ, with this reservation, that we stipulate in our contracts that he must employ a reasonable quota of returned soldiers and local labour where it is available and competent. That is as far as we can go, I think, in reason with the contractor. If we go further, then the contractor has the right to make a claim for extras or anything else if you are going to dictate to him just whom he shall employ.

I say with all due respect that contractors who are receiving public money, and in respect of expenditures such as we are making for the relief of unemployment, certainly should be told to as great an extent as the government sees fit whom they shall employ, and to do that it is necessary to put some teeth into the act, which I am suggesting shall be done.

Clause (d) of my amendment is as follows:

> (d) where such works or undertakings are of a local character and the expenditure involved does not exceed $25,000, all persons employed shall be residents of the locality in which the work is to be performed.

I realize that the minister in his contracts with the contractors does state that as far as practicable the people of the locality shall be employed. What I am attempting to do here, sir, is to see to it that in works of a purely local nature, and works not exceeding $25,000 only local men shall be employed. But in large works where half a million dollars or more are being expended, whether in Toronto, Halifax or any other city, men in the surrounding, outlying localities should surely be just as much entitled to employment as residents of the particular city concerned. They are purely dependent on the city, and I think they should be given some consideration.

Clause (e) of my amendment reads:

> (e) it shall be the duty of the minister concerned to see that the provisions of this section are complied with and in respect of works or undertakings done under contract, he shall be entitled to cancel the contracts forthwith in the event of any breach of such provisions by the contractor.

That is a necessary provision in order that the minister may be able to enforce strictly the provisions that have been dealt with in clauses (a), (b), (c) and (d).

Again may I say that while I appreciate the government's attitude with respect to my amendment, I feel that the amendment to the amendment is in much the same general tone as the various orders in council and the various instructions that have been

communicated to the provinces heretofore under the relief acts. I hope that with the fact in mind that I am trying to put some real strength into the section, some real power into the hands of the minister, whatever department the work may happen to come under, the government will see fit to accept my amendment as moved on April 17.

Mr. MITCHELL: I have listened attentively to the remarks of the hon. member for West Lambton (Mr. Gray). I am not unmindful of the necessity of work for returned soldiers, and of the necessity of work for those, both married and single with dependents. But speaking from my own practical experience I sometimes think that not enough attention is given to those who should be on relief but are not. I mean that large body of workmen who have mortgaged their homes, who have saved by thrift, and have stayed off relief, and I think that in connection with work of this description something should be done for such people. I do not think they should be placed outside the pale, so to speak, in connection with this building policy of the government, because after all is said and done it would be a penalty on thrift if you denied to them the right of effective labour simply because through their own efforts they have kept off the relief roll.

The question of politics, of course, enters deeply into work of this description. We have not yet reached the stage in this dominion where the secretary of the local political organization has not some say as to who shall be employed not only on works of this description but also on contract work. I believe that is unsound and unfair. I believe that when a government launches a works policy for the unemployed the political stripe of the individual and the influence that comes from political organizations should not enter into the matter at all. I think it is fair to say that the unemployed men in the trades and the labourers of this dominion look forward with a great deal of satisfaction to the launching by the government of this works program. I have no knowledge of the manner in which contracts are allocated to individuals who are on the right side of a particular political organization, but I think such practices are unfair and not in accord with British justice. Another great difficulty will arise in deciding who is and who is not needy. I am dealing with conditions in Ontario with which I am better acquainted, and I contend that this work should be given through the labour exchanges. These organizations are non-political and they have rosters of the unemployed men and women in the different localities. I know of no fairer way of hiring men and women. No matter whether the amendment of the hon. member for West Lambton (Mr. Gray) or the amendment to the amendment of the Minister of Public Works (Mr. Stewart) should pass, the government would be well advised to use these employment offices in giving employment in connection with the public works program. The government owes it to the unemployed to see that no unemployed man or woman is denied work because of his or her political affiliation. From my practical experience of many years I question very much whether any government is benefited by political patronage, because for every man who gets a job the particular government makes twenty enemies. The question of political affiliation should not be considered at all; this should be a public works program for the benefit of those deprived at the moment of productive labour. When a contract is let there may be difficulty in deciding who is the most efficient man to employ, but that difficulty is met every day. If the government is going to demand that certain labour shall be employed by the contractor, I do not know where the thing will end. The employment service of Canada can supply all the necessary labour through its various offices. I urge the minister and the government to put forth every effort to see that men and women are given work irrespective of their political affiliations.

Mr. POWER: Is the question on the amendment or on the amendment to the amendment?

The CHAIRMAN (Mr. MacDonald, Cape Breton): On the amendment to the amendment.

Mr. POWER: The amendment to the amendment reads:

That section 2 of Bill 63 be amended by adding thereto the following:

I submit that that is badly drawn; it should read, "that all the words after 'that' be struck out," or something similar. I ask you to rule the subamendment out of order. It is drafted not as a subamendment but as an amendment, and there is already an amendment before the chair.

Mr. STEWART (Leeds): When I moved it I said it was an amendment to the amendment.

Mr. POWER: It does not read that way. I suggest that as we now have it, it is out of order.

The CHAIRMAN (Mr. MacDonald, Cape Breton): The motion as made by the Minister of Public Works (Mr. Stewart) was an amendment to the amendment.

Mr. POWER: It does not say so.

The CHAIRMAN (Mr. MacDonald, Cape Breton): It said so.

Mr. POWER: Will you read it, please?

The CHAIRMAN (Mr. MacDonald, Cape Breton): The motion is:

That section 2 of Bill 63 be amended by adding thereto the following:

Mr. POWER: I submit that we cannot take that into consideration because there is already before the chair an amendment to section 2.

The CHAIRMAN (Mr. MacDonald, Cape Breton): I suppose it would be simply a matter of changing the wording.

Mr. STEWART (Leeds): With the consent of the committee I would have the motion put into proper form to comply with the rules and have it read, "that all the words of the amendment after the word 'that' be struck out and the following substituted therefor." There are two ways of doing it, and one is to vote your amendment down and then vote on this one.

Mr. POWER: I suggest also that there are two ways of doing it, one right and the other wrong, and apparently after a month's consideration the minister proceeds in the wrong way.

Mr. STEWART (Leeds): Possibly so.

Mr. POWER: The minister agrees. I am not going to labour the point—some other hon. member may deal with it—but the fact remains that this is hardly a proper and appropriate amendment to the amendment because it does not in any way negative the amendment itself. I have not the rule of the house under my hand but it seems to me that this means the same thing as the amendment itself, although we cannot accept it on this side because it weakens the amendment. I suggest, Mr. Chairman, that you consider whether the fact that the amendment to the amendment does not negative the amendment moved by the hon. member for West Lambton (Mr. Gray) is not a proper point of order. While you are considering that I will proceed with my remarks on the minister's subamendment.

The amendment reads in part as follows:

That section 2 of Bill 63 be amended by adding thereto subsection 2A:

2A. That in all employment arising out of the execution of such works and undertakings, whether under contract or by day labour (a) those most in need and available shall have first benefits from the employment to be created.

I submit that there can be no objection to that on the part of the minister or the contractors. There is nothing in this amendment which would hold up a contractor in the execution of his work. He would not have to go to Toronto in order to find a person in need to help him carry on work in Winnipeg. Any one in need and available will have the right to first choice.

Mr. STEWART (Leeds): What is meant by "available"?

Mr. POWER: I have just tried to explain it—persons available and at hand who could possibly be employed.

Mr. STEWART (Leeds): Without regard to competency?

Mr. POWER: I would suggest that the word "available" would cover everything.

Mr. STEWART (Leeds): Oh, no.

Mr. POWER: If a carpenter was wanted they would not ask a lawyer to do the work; he would not be an available carpenter.

Mr. BURY: He might be a botch carpenter, and he would be utterly disqualified.

Mr. HANSON (York-Sunbury): A jack-knife carpenter.

Mr. POWER: In that event the penalty, after all, would be in the discretion of the minister and it would not apply; whereas in the amendment to the amendment the words, "as far as practicable and consistent with reasonable efficiency and economy," give really no direction at all to the person in charge of the work to employ people most in need. You can always find reasons and excuses for saying that such and such a procedure would not be efficient or would not be economical. The idea behind this program, as I understand it, is not so much economy as the giving of employment. The principle which we have laid down is that employment shall be found. If we are to talk about economy then let us do it with the twenty cents a day labour as the government is doing in some instances; that would be really economical. But the intention is to give a fair chance to the people who are at present

in need of employment and not to carry out these works in what might be the most economical manner possible.

Now as to section (b), preference shall be given to unemployed and needy ex-service men. I do not think that the preference question need be discussed very long; this has been in our statutes since 1919. The house has unanimously on many occasions decided that the ex-service man shall have the preference. Here we are asking for a preference to unemployed ex-service men; next, to needy ex-service men; and then unemployed and needy married men with dependents. That is a direction which it should be comparatively easy for the foreman or the contractor to understand. As a matter of fact, I believe that at present, in his contracts with the contractor, the minister says that there shall be a reasonable quota. Personally I do not like the words "reasonable quota." That might mean one man out of many hundreds.

Mr. HANSON (York-Sunbury): That would not be reasonable.

Mr. POWER: Why not?

Mr. MALONEY: One out of many hundreds?

Mr. POWER: There is nothing to show what the quota shall be, and Mr. Contractor might very well say to the minister, "Sure; I have my quota. I have a man I picked up, an unemployed ex-service man, and he is my quota. Now the others can go hang as far as I am concerned."

Mr. MALONEY: What would you say?

Mr. POWER: If it were in the law and I were a contractor I would follow the law. But if it were laid down by the minister and my hon. friends opposite and if the provision were "as far as practicable and consistent with reasonable efficiency and economy" I would say, "I will do what I darned well please." That is what I would say if the law as suggested by the minister were enforced. But if the suggestion of my hon. friend from West Lambton were enforced as the law, then I would be mighty careful before refusing applications from any of the classes listed here as being those to whom one should give a preference.

Then in clause (c) it is provided that in no case shall discrimination be made in the employment of any person by reasons of political affiliation, race or religious views. My hon. friend from West Lambton has just told us that this clause was taken from order in council P.C. 2043, passed by this government on Tuesday, August 18, 1931, which reads:

> All agreements with provincial and municipal authorities shall contain a provision to the effect that all persons employed on the works or undertakings referred to herein shall be residents of Canada and so far as practicable of the locality in which the work is being performed, and in no case shall discrimination be made or permitted in the employment of or in the granting of direct relief to any British subjects by reason of their political affiliation, race or religious views.

The agreement entered into on October 26, 1931, I will also quote. It is the form for the agreement with the province of Quebec. I understand that it is taken from the agreement between that province and the federal government dealing with unemployment relief and the works to be carried out under the unemployment relief law of 1931. It states:

> Those most in need should first derive benefit from the grants which should be apportioned with impartiality, and in no case shall discrimination be made or permitted in the employment of or in the granting of direct relief to any British subjects by reason of their political affiliation, race or religious views.

And:

> Under no consideration should political favouritism be considered on unemployment relief works, from which only the most needy shall derive benefit.

Now it is in order that the express intentions of the government in this respect shall be carried out that my hon. friend has moved this amendment; and so that there may be as little discussion as possible with the contractors and others he adds that it shall be the duty of the minister concerned to see that the provisions of this section are complied with and in respect of works or undertakings done under contract he shall be entitled to cancel the contract forthwith in the event of any breach of such provisions by the contractor. That is clear and specific. It imposes on the contractor the obligation to carry out the provisions of this statute under pain of forfeiture. I think that would be the intention of every member of this house. I hope it is the intention of the minister in moving his amendment to the amendment, and if that is so, why then does he not accept the amendment moved from this side of the house? I am sure the minister has not in mind the refusal of it simply because the suggestion comes from us. Knowing him as I do, I am quite sure he is willing to accept any reasonable suggestion no matter from what quarter of the house it may come. I submit to him therefore that there is no

reason why this amendment should not be taken as proposed. If he insists, I am sure my hon. friend from Lambton would be quite willing to add a clause to provide a preference to single men with dependents, and perhaps that compromise could be arrived at between the minister and himself. But were I in his place I would certainly not accept the subamendment, which has far less force, which is merely a pious wish, and which will not in any way affect the contractors, if they wish to employ men in defiance of the desire of parliament and, I am sure, of the desire of the people of Canada.

Mr. KENNEDY (Peace River): How can the contractor tell which one of a number of applicants for a job is the neediest?

Mr. POWER: He can very easily apply to the municipality and ask to have a person sent to him who is on the relief roll. Under the present practice, as I understand it, he applies to the party organization and asks which of the persons on their roll would be best employed. Since this is a relief work, I suggest that the municipal relief roll would be the best source of information, rather than the political party list of probable and potential party voters.

Mr. IRVINE: The employment office in the province.

Mr. POWER: So far as my province is concerned, I anticipate an objection which might be raised by the other side. If I were to suggest that, it would be said that perhaps the employment office of my province was just as bad as the party political organization of my hon. friends. I suggest that the contractors go to the municipality which is really looking after the persons who are on relief; that would be the fairest thing to do.

As for ex-soldiers, there are ex-soldier organizations throughout the whole of Canada, and it would be very easy for the contractors to apply to the Canadian Legion, the Army and Navy Veterans' Association or to any other of the half dozen ex-service men's organizations throughout the dominion. They would have no difficulty in finding men, and if they did have the slightest difficulty, then as far as I am concerned, there is no objection to their making a requisition or request to the member of parliament representing the government. He is probably closer in touch with conditions in his constituency than anybody else, and he could very readily guide the contractor in the choice of men whom he was to take, but I think the contractor should exhaust the other possibilities before he approaches the member.

The CHAIRMAN (Mr. MacDonald, Cape Breton): As to the point of order raised by the hon. member for Quebec South (Mr. Power), under standing order 48, paragraph 399 on page 126 of Beauchesne's Parliamentary Rules and Forms, I find the following:

> A motion may be amended: (a) by leaving out certain words; (b) by leaving out certain words in order to insert other words; (c) by inserting or adding other words.

On that ground I think the amendment is in order. When we come to the other, the only difficulty I find with regard to the amendment to the amendment is the way in which it is framed. It is not framed as an amendment to the amendment; it is framed as an amendment to section 2. I am driven to the position under paragraph 401 which reads:

> When several amendments are offered at the same place in a clause, it is within the chairman's discretion to decide which amendment he will receive. An amendment proposing to omit certain words in order to insert other words is given precedence over an amendment proposing simply to omit the same words.

I think under those circumstances it is my duty to decide which amendment I shall accept, and feeling that way I shall accept the amendment offered by the Minister of Public Works.

Mr. MACKENZIE KING: It would be omitting certain words of the bill itself.

The CHAIRMAN (Mr. MacDonald, Cape Breton): They are both amendments to section 2 of the bill.

Mr. GRAY: As I understood it, after objection to the form of the subamendment had been raised by the hon. member for Quebec South (Mr. Power) the minister changed the amendment. I think he will agree with me in that.

The CHAIRMAN (Mr. MacDonald, Cape Breton): It has not reached me.

Mr. GRAY: Am I correct in saying that the minister moved that all the words after the word "that" be struck out and the following substituted therefor?

Mr. STEWART (Leeds): I said that if the amendment was out of order, that might be done.

Mr. GRAY: While that may not have reached the chairman in writing, certainly it was understood by the committee that the minister after a suggestion by the Solicitor General (Mr. Dupré) moved that this be done, and the whole basis of the discussion of the hon. member for Quebec South (Mr. Power)

was that the Minister of Public Works had moved an amendment to the amendment. I do not think anybody understood anything different.

Mr. MACKENZIE KING: According to what the chairman has just said, if he accepts the amendment moved by the minister it will read "That all the words after 'that' be struck out."

The CHAIRMAN (Mr. MacDonald, Cape Breton): It is an amendment to section 2. That is the only amendment before the chair.

Mr. MACKENZIE KING: My impression is the same as that of the hon. member for West Lambton (Mr. Gray). I heard the minister say that in order that his motion should be in order he would have it amended to read "that all the words after the word, 'that' be struck out."

The CHAIRMAN (Mr. MacDonald, Cape Breton): That has not yet come before the chair.

Mr. POWER: Do I understand that the chairman so far overrides all the rules of priority that he takes an amendment moved on this the 23rd day of May in preference to an amendment moved over a month ago, placed on Hansard and in the hands of the chairman on April 17?

The CHAIRMAN (Mr. MacDonald, Cape Breton): The time has nothing to do with the matter. The rule says:

When several amendments are offered at the same place in a clause—

That is the case here exactly.

Mr. POWER: I take that to be the chairman's ruling.

The CHAIRMAN (Mr. MacDonald, Cape Breton): Until something else comes before the chair, I shall have to rule that way.

Mr. POWER: If the chairman takes that position—and I regret he does so—it would appear from his ruling that what we now have before us is the amendment moved by the Minister of Public Works, which reads:

That section 2 of Bill 63 be amended by adding thereto the following—

And so forth. Is that it?

The CHAIRMAN (Mr. MacDonald, Cape Breton): Yes.

Mr. POWER: I therefore move in amendment to the amendment of the minister:

That all the words after the word "provided" in the said amendment be struck out and the following be substituted therefor:

[Mr. Gray.]

That in all employment arising out of the execution of such works and undertakings, whether under contract or by day labour (a) those most in need and available shall have first benefits from the employment to be created; (b) preference shall be given to unemployed and needy ex-service men and to unemployed and needy married men with dependents; (c) in no case shall discrimination be made in the employment of any person by reason of political affiliation, race, or religious views; (d) where such works or undertakings are of a local character and the expenditure involved does not exceed $25,000, all persons employed shall be residents of the locality in which the work is to be performed; (e) it shall be the duty of the minister concerned to see that the provisions of this section are complied with and, in respect of works or undertakings done under contract, he shall be entitled to cancel the contracts forthwith in the event of any breach of such provisions by the contractor.

The CHAIRMAN (Mr. MacDonald, Cape Breton): This is an amendment to the amendment.

Mr. POULIOT: This amendment provides for help for the needy; therefore it shows the necessity of a classification of the unemployed according to their trades or previous occupation. That is why a member of the house spent the recess getting information on that and trying to tabulate it in order to inform every hon. member as to the number of men engaged in the building trades and other activities. This measure should not pass before that information is completed, in order that the minister may know better what the allocation of the various amounts for the relief of unemployment should be. At present the minister finds it difficult to tell the committee how it will be spent. I suggest that the minister wait until that classification is ready. There is a member of the house who gives nearly all his time to it, and it will be ready shortly. I ask the minister not to press for a vote until that classification is ready; then he will be in a position to inform the house as to his views on the matter. I offer that suggestion, which I am sure the minister will accept at once.

Amendment to the amendment (Mr. Power) negatived on division.

The CHAIRMAN (Mr. MacDonald, Cape Breton): The question is now on the amendment proposed by the Minister of Public Works.

Mr. GRAY: The Minister of Public Works surely cannot propose an amendment to his own bill.

The CHAIRMAN (Mr. MacDonald, Cape Breton): It was my mistake; it was proposed by Mr. Manion.

Mr. POULIOT: I rise to a point of order. The Minister of Railways is in exactly the same position as the Minister of Public Works because it is pretty hard to know which minister will be in charge of the bill. I do not see how the Minister of Railways can move an amendment to his own bill, and all the ministers who may be responsible for some of the work are precluded from moving any amendment to the bill.

Mr. MANION: As a matter of fact a minister introducing a bill has a right to amend his own bill. I have on a number of occasions amended bills that I have introduced. It would be quite in order if the Minister of Public Works had moved the amendment.

Mr. MACKENZIE KING: Not in financial matters.

Mr. MANION: I moved many amendments to the Canadian National-Canadian Pacific bill in 1933, and it was a financial bill.

Mr. POULIOT: It was by unanimous consent.

The CHAIRMAN (Mr. MacDonald, Cape Breton): The bill is in the name of the Prime Minister, not of the Minister of Public Works.

Mr. POULIOT: It makes no difference. It is a matter of discretion, personal discretion. It is a very delicate matter. I do not see how the seven ministers who are supposed to be in charge of the bill can forget that at the present time. Who knows that all the works will not be for a certain time in charge of the Minister of Railways or of the Minister of National Defence or the Minister of Marine? And there are other ministers who may come into the picture, perhaps even the ex-Minister of Trade and Commerce.

The CHAIRMAN (Mr. MacDonald, Cape Breton): Will the hon. member kindly state his point of order?

Mr. POULIOT: Yes sir, I will summarize it in a sentence or two. My point is that according to the rules of parliamentary institutions of Great Britain and other dominions a minister who is in charge of legislation cannot himself amend that legislation except by leave of the house. The cases that the Minister of Railways cited were cases when the leave of the house was granted. Sir, it seems to me that when a minister wants to change legislation that he has submitted to the house or the committee, the amendment should be moved by one of his colleagues. The reason is this; when a minister comes with a bill the bill must be perfect so far as he can possibly make it so. It is the best effort of his brains, and though at times it comes from the clerks—

Some hon. MEMBERS: Order.

Mr. POULIOT: I am very serious about it. It comes from the clerks of his department, but he takes the full responsibility for it. Only another minister who is not in charge of the bill—

Some hon. MEMBERS: Oh, oh.

Mr. POULIOT: This is no place for cats!

The CHAIRMAN (Mr. MacDonald, Cape Breton): Order. With all respect to the hon. member, the point of order is whether the minister could move this amendment or not. I have decided that he could.

Mr. POULIOT: How can you decide that before I state my point? That point is most serious; I am defending parliamentary institutions.

Amendment agreed to on division.

Section as amended agreed to.

Progress reported.

On motion of Mr. Manion the house adjourned at 10.55 p.m.

Monday, May 27, 1935

The house met at three oclock.

INTERPRETATION ACT

Hon. HUGH GUTHRIE (Minister of Justice) moved for leave to introduce Bill No. 74 to amend the Interpretation Act.

He said: This bill is to correct a clerical error which has been called to our attention by the Supreme Court of Ontario; we intend to change the word "in" to "to" in one of the clauses.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

GROSSE ISLE, QUE., QUARANTINE STATION

Mr. GOBEIL:

1. Was a contract for the repairs to the wharfs and buildings of the quarantine station at Grosse Isle, Montmagny county, awarded to Messrs. Lemelin and Brousseau, in 1929?
2. If so, what was the contract price?

3. What are the names of the persons who signed such contract?

4. To whose order were the cheques in settlement of such contract made payable?

5. Who endorsed such cheques?

6. If such cheques were endorsed by only one of the two contractors, was the department given a power of attorney authorizing it to accept such signature on behalf of the two contractors?

Mr. STEWART (Leeds):

1. Yes, a contract was awarded to Lemelin & Brousseau for repairs to buildings on November 4, 1929.

2. $9,981.65.

3. Henri Lemelin, contractor; Omer Brousseau, contractor; J. B. Hunter, Deputy Minister of Public Works; N. Desjardins, acting secretary, dept. of Public Works.

4. Lemelin & Brousseau.

5. Lemelin & Brousseau, par Henri Lemelin.

6. No.

LEVIS, QUE., WHARF

Mr. DESROCHERS:

1. Is the government aware that an amount of $40,000 was voted for the construction of the wharf at Lévis?

2. Is the government aware that that amount was used to build an extension to the Canadian National railway wharf, known "ice-breaker"?

3. What was the amount actually spent on the construction of the said extension to the Canadian National railway wharf?

4. What was the original estimate of the public works department engineers for the construction of the said wharf?

Mr. STEWART (Leeds):

1. Yes, vote No. 421 for the fiscal year 1931-32 contained the item "Levis—contribution towards cost of wharf—$40,000."

2. The ice-breaker or ice-deflector was part of the work constructed at the cost of the city of Levis, towards which work the department contributed $40,000.

3. The cost of the work done by the city of Levis was $125,000.

4. No estimate by the engineer of the Department of Public Works of cost of work done by the city. Estimate by the consulting engineer for the city was $125,000.

QUESTION PASSED AS ORDER FOR RETURN

VALCARTIER RELIEF CAMP

Mr. VERVILLE:

What was the amount paid to the undermentioned persons, respectively, for supplies or services in connection with Valcartier unemployment camp, during each of the following years, 1932, 1933, 1934, and 1935, to date, viz: Jos. Gingras, Barnabe Parent, M. B. Berry, and A. J. Blondeau of Loretteville, and Georges Theberge, J. E. Blondeau, Georges Gosselin and Gaudais Letellier of Quebec?

MOTIONS FOR PAPERS

IMMIGRATION FROM GREAT BRITAIN

Mr. STEVENS:

1. For a copy of all resolutions in the possession of any department of the government favouring the resumption of immigration from Great Britain and/or of the Hornby settlement plan, received between January, 1934, and this date; and

2. For a copy of any letters or resolutions received by any such department in that connection from the following city and town councils, boards of trade, or other bodies:—Saskatchewan: Wolseley, Melfort, Prince Albert, Lashburn and District. Alberta: Vermilion, Tofield, Mayerthorpe, Grand Prairie. British Columbia: Prince George, Vanderhoof, Prince Rupert.

REBATES UNDER CUSTOMS TARIFF

Mr. STEVENS:

For a list of all rebates granted under tariff item 1035, schedule "B" of the customs tariff, during the period June, 1934, to April 1, 1935, such list to show,—

1. (a) The names of the firms applying and the names of the persons making application on behalf of the firms.

(b) The amount claimed for rebate in the original application.

(c) The amount actually rebated.

(d) The date of the importation of the goods for which rebate is sought.

2. A copy of the minute of the treasury board or order in council, as the case may be, authorizing the refund in each case described in the preceding paragraph.

Mr. MATTHEWS: On Monday last when this motion was before the house the Prime Minister requested that it be allowed to stand and intimated that it was his understanding that it was contrary to the practice of any government to produce in this chamber the names of those to whom rebates had been granted under the Customs Act. I merely desire to confirm this understanding. It is contrary to the established practice of the Department of National Revenue to give information which would disclose the private business of any individual or corporation and I would therefore suggest that the motion be dropped.

Mr. STEVENS: I do not wish to transgress the rules of the house by debating the motion, but I should like to make one observation in regard to this matter as it involves, if it is dropped, possibly the establishing of a precedent in the house which I think the house should be cognizant of before such action is taken. I quite understand the practice of refusing to disclose the business of any private firm in connection with its invoices or docu-

ments submitted for the passing of goods through the customs houses or customs offices of the country. But this is something different from that. The point at issue here is simply this: that certain revenue having been collected and entering into the consolidated fund of the country, under certain practice and rules of the department, rebates are made under the statute. All that I am asking is that when a rebate is paid between certain times—all I am asking is when a rebate is paid out of the consolidated fund—the name and the documents authorizing such rebate should be laid on the table of the house. If it is now decided not to do that, I should like to intimate to the house that in my opinion it is rather an extraordinary ruling that the House of Commons is not entitled to information dealing with the important matter of the revenue of the country and the manner in which it may be handled in so far as rebates are concerned.

Mr. SPEAKER: Dropped.

SANTO DOMINGO TARIFF

Mr. DUFF:

For a copy of all correspondence including letters, telegrams and other documents, exchanged between the government of Canada or any member thereof or any official of said government, and the government of Santo Domingo or any minister or official thereof, or between the government of Canada, its ministers or officials and the minister to Canada from Great Britain or the Secretary of State for the Colonies or any of his officials, relative to the great increase in duties on fish, potatoes, onions, etc., when imported into the said island of Santo Domingo from Canada.

Mr. SPEAKER: Shall the motion carry?

Mr. BENNETT: Subject to the exception that dispatches that may be of such a character as are usually not brought down will not be brought down.

Mr. SPEAKER: Passed, with the reservation indicated by the Prime Minister.

ST. RENÉ BEAUCE, QUE., POST OFFICE

Mr. POWER:

For a copy of all correspondence between J. N. Maheux of Saint Martin de Beauce, or any other ex-soldier, and the Postmaster General, or any other member of the government, during the year 1934 and up to the present date, with respect to the appointment of a postmaster at St. René Beauce.

CARIBOO-UPPER MUSQUODOBOIT, N.S., MAIL CONTRACT

Mr. RALSTON:

For a copy of all notices, tenders, contracts, letters, telegrams, memoranda, correspondence and documents, dated since January 1, 1934, in the possession of the Post Office Department, with respect to the contract for carrying the mail between Cariboo and Upper Musquodoboit, Halifax county.

UNEMPLOYMENT RELIEF CAMPS

INVESTIGATING CONDITIONS IN RELIEF CAMPS IN BRITISH COLUMBIA

On the orders of the day:

Hon. IAN MACKENZIE (Vancouver Centre): May I ask the Minister of National Defence whether he has yet received the report of the commission investigating conditions in the relief camps in British Columbia. If so, will he submit it to the house?

Hon. GROTE STIRLING (Minister of National Defence): The hon. member was good enough to let me know that he was going to ask this question. The chairman of the commission has kept me aware from time to time of the progress being made by the commission. The last communication I received was a week ago, in which he intimated that the evidence which the commission proposed to take in Vancouver was complete, but that the commission proposed to take a little more evidence in Vancouver island, and then would hasten to the preparation of its report. In a previous communication he had intimated that the secretarial work of preparing the evidence for consideration was well in hand, and I anticipate that within the next few days it is probable that the report will reach the government.

PAYMENTS OUT OF FEDERAL TREASURY TO PROVINCE OF ONTARIO

On the orders of the day:

Right Hon. R. B. BENNETT (Prime Minister): A few days ago a question was asked by an hon. member as to what the contribution of Canada to the province of Ontario was per month. I stated at the time that I believed it was $600,000. My observation was interrupted by the suggestion that it probably was larger because Quebec was receiving that sum, and I then suggested $750,000. The fact is that when the agreement was arrived at in July last a provisional amount was paid for the months of August and September, subject to adjustment, of $750,000 in the case of Ontario and $600,000 in the case of Quebec. Subsequently, when matters were finally arranged, the amount paid and agreed to be paid was $600,000 per month in the case of Ontario and $500,000 in the case of the province of Quebec.

PENSIONS FOR THE BLIND

On the orders of the day:

Mr. A. W. NEILL (Comox-Alberni): May I ask the Prime Minister if he will give instructions to have the committee on industrial and international relations called together to deal with the question of pensions for the blind, which was remitted to it for the second time before the recess. A few days ago the Prime Minister in answer to a similar question indicated that it would be dealt with in due course on the order paper, but he was not aware at that time that in his absence the report had been brought down and remitted back for further consideration and action.

Right Hon. R. B. BENNETT (Prime Minister): I am afraid that the hon. gentleman has somewhat exaggerated the ability of the First Minister to deal with a committee. I cannot direct a committee to do anything—I am very pleased to be able to make that statement—but I will bring the matter to the attention of the chairman, who doubtless will be made aware of it by what has been said by the hon. gentleman himself.

PUBLIC WORKS PROGRAM

WORKS, UNDERTAKINGS AND GUARANTEE OF RAILWAY EQUIPMENT SECURITIES TO CREATE EMPLOYMENT

The house resumed from Thursday, May 23, consideration in committee of Bill No. 63 to create employment by public works and undertakings throughout Canada and to authorize the guarantee of certain railway equipment securities—Mr. Stewart (Leeds)—Mr. Morand in the chair.

On schedule A, item 11—Interior Department—To provide for the construction and development of public buildings, camp sites, electric light and telephone systems, highways, bridges, streets, sidewalks, landing fields, air-harbours, trails, water and sewer systems, recreational areas, wharves, and river protection works; to provide for the development of historic sites including buildings, repairs and restorations; to provide for the purchase and acquisition of building sites, also to provide for the construction of the Golden-Revelstoke (Big Bend) section of the trans-Canada highway, $1,500,000.

Mr. POULIOT: May I ask the Minister of Public Works if his colleague the Postmaster General is in town. If so, will he call him to the house in order that some questions may be put to him in regard to the work done at rivière du Chêne?

Hon. H. A. STEWART (Minister of Public Works): I really am not in control of the Postmaster General as to his movements either in the house or out of it. I do not know whether he is in town to-day or not.

[Mr. Bennett.]

Mr. POULIOT: What my hon. friend has just said reminds me of one of the first men who lived on this earth when he said: "Am I my brother's keeper?" I am surprised that my hon. friend should assume that attitude. In Hansard of May 23 at page 3006, the Postmaster General is reported as follows:

> The island for which I paid $100 I offer to the hon. member for Témiscouata for $25—condition, cash. Is it accepted?

I have delayed my answer until now, but now I accept the offer and I have the money ready. I am sorry the Postmaster General is not in his seat because I want to buy that island in order that no more of the public money may be wasted.

The CHAIRMAN: Order.

Mr. POULIOT: What I say is quite relevant. A challenge was made to a member of the opposition. I have the money here; it is ready to forward to the Postmaster General and I want to buy his island. When a minister of the crown makes a challenge, it must not be disregarded by the house. I have here $25 of perfectly good money.

The CHAIRMAN: Order.

Mr. POULIOT: I want to buy the island. Nothing on earth can prevent me from buying it. What I have to say now is quite revelant and I will tell you, sir, why it is on a point of order. It is because the schedule is a part of the whole bill to which every section refers.

Mr. GOTT: Will the hon. member go to the island and stay there?

Mr. POULIOT: I will give my answer only after the deed is completed.

The committee was all wrong when it was decided to pass the schedule. Every section of the bill refers to the schedule, and therefore while discussing section 2 or section 3 we can refer to the schedule, to the works that are mentioned therein. Further, one can mention any expenditure made by the Department of Public Works, and moreover every expenditure made by the Department of Railways and Canals, the Department of Marine the Department of National Defence and the Department of Agriculture. One can refer to any expenditure made in any department headed by any one of the ministers involved. Therefore I am quite in order when I speak of vast expenditure which has been made under the control of the Minister of Public Works around an island which is not greater than one's hand, on which there are four trees and which belongs to the Post-

master General. I want him to come down to the house, to show that he is a man and that he was not fooling the committee of the house when he offered his island for sale for $25. I waited until now to give my answer. My answer is: Yes; here is $20 and here is $5 more, making $25; I want to send the money to him. The Minister of Public Works does not know where he is. I want the Postmaster General to come down to the house and I hope the Prime Minister will send for him right away in order that he may give an answer and get the money. This is a loss for me, but I do it for the benefit of the country in order that no more public money may be made on and around the island.

Mr. BENNETT: Perhaps the hon. gentleman might permit the business of the house to be proceeded with and forget this, because there is a rule that when an offer of that character is made, it remains open for only a reasonable time for acceptance.

Mr. POULIOT: I would agree with the right hon. gentleman under different circumstances, but if he remembers well, I supported the hon. member for Antigonish-Guysborough (Mr. Duff) when he opposed adjourning the house for a holiday over the twenty-fourth. I wanted the house to sit on the twenty-fourth, Friday last, and then I would have accepted the offer. But there is another reason why I did not accept it right away; it was because the Postmaster General was mumbling when he made his offer; I did not catch it very well and it was only when I read Hansard the day after, when the house was not sitting, that I realized he had offered his island for $25.

The CHAIRMAN: If the hon. gentleman wishes to buy an island, he can buy it outside the house.

Mr. POULIOT: The offer was made in the house; I have to buy it here; I do not see the Postmaster General outside the house and I do not see him in it all the time. I do not refuse that offer; I accept it and I am sorry the Postmaster General is not here to get the money. There are two pages present and he can get the money right away. Moreover, the hon. member for L'Assomption-Montcalm (Mr. Séguin) who is a notary has agreed to prepare the deed without cost. He will be here to-night and if the Postmaster General accepts, and not only accepts, but is true to his word, is straight enough to sell his island for $25, the hon. member for L'Assomption-Montcalm will sign the deed. If not, I will sue the Postmaster General for completion of the deed. I regret very much there are slackers who do not appear in the house when questions of such importance are being discussed, and I hope before long we will see him coming here accepting the money which I have shown to the whole committee.

Mr. GOTT: When will the hon. member go to the island?

Mr. POULIOT: I will go to the island when it is my own property. There will be no waste of public money there; the Toronto tunnel will not be duplicated in two feet of water.

Mr. GOTT: The hon. member has said that he will go to the island. He did not say whether he would stay there.

Mr. POULIOT: May I ask the Minister of Public Works whether he has agreed to all sensible requests for dredging rivers since he has been in charge of the department?

Mr. STEWART (Leeds): Does my hon. friend ask whether we have agreed to all sensible requests for dredging of all rivers in Canada since I have been in charge?

Mr. POULIOT: Yes.

Mr. STEWART (Leeds): I would say no; we have not had funds to agree to all that. That would take a great deal of money.

Mr. POULIOT: There was a request made to the hon. gentleman for dredging in St. Urbain in the county of Chateauguay. He declined it. Did he decline it because it was not a sensible request?

Mr. STEWART (Leeds): I cannot be expected, I submit with all sincerity, to carry in my mind details of requests for dredging throughout the dominion. Really I think the matter referred to has nothing to do with the bill or the section under consideration. I suggest that we have spent a great deal of time and it would be well to endeavour to make some progress. This is not a real estate agency or an occasion when we can be expected to give details on anything.

Mr. POULIOT: I would not have said anything more about the matter had the minister not said that it was irrelevant, but it is relevant; every expenditure from one cent up may be criticised here; we have a right to do this and no one will prevent us from doing it if we see fit to do so. The minister knows very well that I have a lot of consideration for him personally. Therefore he should not take this so lightly; it is a serious matter. He has already expressed his appreciation of some matters that I have brought to his personal

attention. Here I tell him that he has been fooled by one of his colleagues, and that a considerable amount of public money has been wasted in improving a private property of one of the cabinet ministers. I am most indignant, and I cannot understand how the hon. gentleman takes it so lightly. But as he does it is useless to discuss the matter any further.

Some hon. MEMBERS: Hear, hear. Carried.

Mr. POULIOT: I would like the hon. member to explain the whole thing to his constituents.

Mr. GOTT: Send some of Jack Miner's birds to his island.

Mr. SPENCER: It is not an island about which I wish to speak, but some valuable woodland north of Ottawa. The matter was brought up in this chamber last week by the leader of the opposition, and I concur entirely in what he said. Tremendous damage is being done to-day by unnecessary wood-cutting north of Ottawa, spoiling these wonderful hills that are so valuable to the people of this city. I would like to know if there is any possibility of even a small sum from this $1,500,000 under item 11 being used for a survey to learn what might be done to save these parklike woodlands and do something to preserve this splendid wild country north of the city.

Mr. STEWART (Leeds): I would say at once that no portion of this fund would be available for use on any land that is not the property of the crown. This wood-cutting is taking place on private property, and without the formation of a federal district or the assumption of some overriding control we have no right even to go on the property. That is my view of the situation.

Mr. BENNETT: I was rather amazed to find the suggestion made that this parliament could deal with this matter. This parliament has the same jurisdiction over this matter as it has over the private property of any citizen of any province. The lands, mines, minerals and timber of the province of Ontario and the province of Quebec are under the control of the crown in the right of the province.

Mr. STEWART (Edmonton): And every other province.

Mr. BENNETT: Yes. The only properties we have are in the Northwest Territories, the national parks and our experimental farms. With respect to reforestation the position is the same. We discussed the matter with the provinces on one occasion, but this dominion has no authority over these woodlands near this city and no control, direct or indirect, remote or near; neither can it touch them in any way, shape or form unless there were legislation specifically directed to that end, and then the question would arise of the conflict between the crown in the right of the dominion and in the right of the province, and the purposes for which the crown right of the dominion desires to exercise its powers of expropriation. The whole matter was considered in a case that went to the privy council in connection with the right of way for a railway in northern Ontario, and the supremacy of the crown in the right of the dominion to expropriate provincial crown land for that purpose under the Railway Act as against anyone else was upheld. But as far as this particular question is concerned, we can talk about it, but the only authority that can deal with it is the province of Quebec or the province of Ontario as the case may be, unless we amend our constitution, which the formation of a federal district would involve. For a federal district comprising parts of two provinces would of necessity require a change in the British North America Act itself, having regard to the provisions concerning our parliamentary representation.

Mr. MACKENZIE KING: Mr. Chairman, may I say to the right hon. Prime Minister that what I suggested as certainly within the competence of this parliament and government was a conference with the provinces concerned. I saw no reason why my right hon. friend might not call into conference with him the premiers of Ontario and Quebec, and direct their attention to the fact that the land immediately adjacent to the capital is being denuded of its forest wealth. My right hon. friend recalls that when Sir Robert Borden was Prime Minister he appointed a royal commission, which after considerable trouble and expense made recommendations as to the improvement of the capital of Canada and how the suggested improvements might be developed. Among the suggestions was the creation of a federal district which would take in a large section of the wooded country round about the capital. Up to the present time that recommendation has not been carried out. However, it is wholly probable that in the course of years some means will be found whereby there will be created a federal district which will have to do not merely with the beautification of the capital itself, but also of its immediate environs.

Unless some action is taken immediately, however, an amount of damage will be done

to the whole area adjacent to Ottawa that will be irreparable. I do not know whether my right hon. friend has seen some of the areas that within the past year have been cut within a very few miles of the city. If not, and if he can possibly spare the time for the purpose, I understand that to-night at 7.30 there are to be shown in one of the rooms of this house some lantern pictures which disclose just what has taken place within the last few years. Hon. members who see those pictures will find that the only appropriate comparison for some of the areas that have been shorn of their woods are the devastated areas of the battlefields after the great war. Many acres of beautiful woodland adjacent to the rivers or to the highways have been ruthlessly destroyed. I say ruthlessly, because they have been cut for a mere pittance, the owners receiving very little, and some unemployed men who have done the cutting but a very small amount of pay. There is an obligation on the federal government to have regard not merely for Ottawa to-day as the capital city, but to the capital of Canada for years and for generations to come.

The serious part to-day is that most of the forests of which I am speaking are on hillsides which have very little soil upon them. The soil that is there has been the result of the slow accumulation of centuries, and, once the wood is cut, a few rainfalls are sufficient to wash away practically all the soil. Therefore it is not a matter that could be repaired by reforestation. These hillsides will become bleak areas of rock and stumps.

With the dominion government paying out money for the purpose of reforestation under a reforestation policy, it seems to me that there is an obligation to retain what we already have, especially where it is certain that in the course of time we shall have to do something in the way of reforestation, if it can be done then, in order to make good a very serious loss.

I expected to find my right hon. friend sympathetic with any movement that would help to preserve the beauty of this capital and its immediate environment. I think he has that at heart. I believe that all that is necessary at this moment is for him to call in, as I suggested, representatives of the two provinces. He is pretty busy himself; let his ministers call in the ministers who have to do with the highways and parks of the provinces, have a conference and see if they will not agree to do something on their part in the way of conserving this forest wealth, provided the dominion makes some contribution, such as the Department of the Interior is in a position to make out of unemployment relief funds, in giving employment if you like to unemployed surveyors. At this time we are sending lads to the mining camps and prospecting; a million dollars or more was asked recently by the Minister of Mines for great surveys, and it was urged that a lot of university men out of employment would thus find some work. Surely a few of these men might be retained by the Department of the Interior to do this work.

If I may I would point out to the Prime Minister, so that he will appreciate how urgent this is, that the areas nearest the roads and the river banks and the lakes are cut first, because it is cheaper to transport the wood from them. I do not think there is any desire to prevent the men who own these little properties from making what they can out of cutting some of their wooded areas. I believe even a word of advice would cause many of them to reserve the forepart of their grounds and premises immediately adjacent to the highways and confine what cutting they may have to do to the interior of their property. At any rate a reforestation policy which would have regard to not cutting timber below a certain size would help meet the situation.

I appeal to the Prime Minister not to let this matter just go by with the statement that we have not the authority or that we must amend the constitution. In the past no one has been stronger on conferences than the right hon. gentleman, and conferences with the provinces are always possible. However, some government has to take the lead and certainly the federal government owes it to Canada to see that the immediate environs of the capital are maintained, if it is at all possible to do so, with at least some degree of their original beauty.

Mr. BENNETT: I do not think the right hon. gentleman has any licence to suggest that I am not sympathetic—

Mr. MACKENZIE KING: I said I was sure my right hon. friend was sympathetic.

Mr. BENNETT:—But if he suggests that I am lacking in sympathy because I point out the facts I might ask, in turn, why during the nine years he was in power he did not take steps in this direction.

Mr. MACKENZIE KING: First may I say to my right hon. friend that when I mentioned the matter on Thursday and again to-day I said one person who I was sure would be in sympathy with the preservation of this forest life was my right hon. friend. The answer to the question of why I let nine years go by, may I say,

is that all that I am speaking of has taken place only within the last two or three years. I think I can explain the situation in a word. What is happening is this: It was not the owners of this property who conceived the idea of ruthlessly cutting down these forests; it was a few men who discovered that by taking contracts they could go to the different farmers and offer them small amounts for their wood, I think something like fifty cents a cord is what, in many cases, owners receive; and a dollar a cord is what these contractors have been paying for the cutting of the wood. Times being hard, they have found a number of people who were prepared to accept their proposals and sell and cut the wood at that figure, and as I have said owners have been selling wood in many cases at as low a figure as from forty cents to one dollar per cord depending on the quality of wood cut. The contractors make what little they can out of the sale of the wood through the extensive contracts they have entered into. It has been only within the last two years that what has been happening along the roadsides, the river banks and the lake shores has taken place, and it is for that reason that I am saying to my right hon. friend that I am sure another winter will work a degree of devastation that will be completely irreparable.

I hope my right hon. friend will believe that I sincerely regard him as entirely sympathetic to a movement of this kind, which aims at the preservation of these scenic woodland areas in the immediate vicinity of the capital. I simply asked for his cooperation in this matter because I believed he should and would be willing to give it.

Mr. BENNETT: I only desire to make this observation: One must face the realities of this situation. My right hon. friend suggested that trees below a certain size should not be cut, and I can only say that at the present time there is a law in that respect in the province of Quebec. That is a matter over which the province has control so far as crown lands are concerned. We have no more control over those crown lands than we have over the island of Newfoundland, as the situation exists at the moment.

I do entirely agree with what the right hon. gentleman has said as to the dangers of this practice, because twenty-five years ago I had occasion to learn of the evils of denuding a watershed of trees. Near the city of Calgary there was a fairly good growth of timber, which was under lease from the federal government to a well known company. A fire took part of it and the rest was cut down, with the result that the humus which had accumulated during the centuries was washed down by the spring rains. Now there is no longer moisture gradually finding its way to the river; it comes down in the spring in the form of freshets, and there is no regularity of flow in the river. I discovered this in connection with an enterprise with which we were then interested, the use of water for the purpose of power. At that time we endeavoured to point out the evils of this practice. The company in question had a contract with the government which precluded them from cutting timber below a certain size, but the fire did the rest.

Every year, I think, this government has made some contribution for the purpose of preventing forest fires, and now that the dominion has parted with its interests in public lands, so far as the west is concerned, that part of the country stands in exactly the same position as the old provinces of Quebec and Ontario. The right hon. gentleman knows that better than I, because he had to deal with the agreements. We have no power with respect to the cutting of timber in the provinces of Quebec or Ontario and, what is even more important in this connection, we have no power in connection with reforestation. The province of Ontario had a reforestation plan, and after this depression began our director of forestry here was asked to look into the matter in connection with certain works that were carried on at one of the relief camps for single, homeless men in the Kananaskis valley, which is well known to the hon. member for West Edmonton (Mr. Stewart). The difficulty I see is that, with the best intentions in the world, this parliament cannot in any sense exercise control in this matter, since it lies with the crown in the right of the provinces to deal with questions of this kind. For instance, in the province of Quebec they have greatly improved conditions during the last few years by the reforestation of certain areas that have been denuded of trees. I understand that under modern methods they can carry on this work without very much expense, and I believe it has been demonstrated that it takes about sixty years for certain types of spruce to reach maturity for the purpose of being used for pulpwood.

So far as the immediate matter is concerned, I was not aware that the devastation to which attention has been directed was on such a colossal scale as has been suggested. However, I will ask the chairman of the federal district commission to communicate with the

two governments concerned in order to ascertain from the ministers concerned in each of these provinces whether anything can be done to meet the situation. I am heartily in accord with the principle that has been laid down, that the approaches to the capital city of Ottawa should be kept as beautiful as it is possible to maintain them, but I am also realist enough to know that unfortunately we have no power in the premises. If a federal district is to be set up, as I have pointed out, it cannot be done by this parliament alone; the district would extend into two provinces, and in the very nature of the action to be taken some modification of the existing provisions of the British North America Act would be involved. As I think the right hon. gentleman will remember if he carries his mind back, all these matters were discussed some time ago when the question of the federal district commission was being considered by the commission set up by the government of Sir Robert Borden shortly after he assumed office, which made a report on the beautification of this city, which to some extent has been carried out. As the years have gone by it has been found that the plans which have been carried out have resulted in this becoming a more beautiful city, and that work is being carried on all the time. If the approaches to the city are to be maintained, however, unfortunately it will require not only the expenditure of money; more than that it will require legislative action which is not competent to this parliament but which, in its ultimate analysis, will require some modification of the existing provisions of the British North America Act.

I shall direct the attention of the chairman of the federal district commission to the matter at once. I have no doubt he has had his attention directed to it already, because he and his commission have been most farsighted in trying to secure properties at reasonable prices in order that the beautiful approaches to this community might be maintained. For instance, across the river an old mill burned down, and the commission were able to acquire that property at a very small price. Out near the research building two small properties were acquired for which we had to provide an amount in the estimates, in order to maintain just what has been suggested by the right hon. gentleman, the beauty of the community as a whole. But we will have to deal with the question of the approaches from an entirely different angle. I cannot do more than submit what has been said to the chairman of the commission, to whom I will send a copy of Hansard. However it may be desirable for him to go to Quebec and Toronto to see if anything can be done for the purpose of taking immediate action, for I had no idea that it was as serious as the right hon. gentleman has indicated.

Mr. MACKENZIE KING: May I at once thank the Prime Minister. His remarks bear out what I have said. I felt sure no one would be more interested in the matter than my right hon. friend, once he appreciated the situation. I think the step he has suggested, namely that of conferring with the chairman of the federal district commission and enlisting his active cooperation is an excellent way of going about the matter. I have no doubt that with the Prime Minister's powerful influence behind him much affecting the situation will be accomplished. I am sure the chairman of the Federal District Commission will find the provinces sympathetic, once it is proposed that the matter be taken up as one of joint action.

Mr. BRADETTE: At this point I should like to make a request of the Minister of Public Works. I notice that a certain amount of money is to be spent upon railway grade crossings. A situation exists in my section of the country along the National Transcontinental extending from the Quebec border to a point a few miles west of Hearst whereby the railway commission has the power to decide where they shall or shall not build fences. Apparently so far as the railways' administration is concerned, if they decide in certain sections around Kapuskasing not to build those fences the farmers have no rights against them.

Under the present scheme I should like the government to ear-mark a certain amount of money so that fencing may be carried out along the railway line from the Quebec border to a point west of Hearst. The committee and minister will readily understand the injustice this section of the country has suffered, and I believe we would do well to ear-mark a certain sum of money which could be spent in building fences along that portion of railway I have just mentioned.

Mr. STEWART (Leeds): The appropriation mentioned in the schedule is for the purpose of eliminating crossings, and not for that of building fences, which latter procedure would appear to be the responsibility of the railway concerned, acting under the direction of the railway commission. I would think that if my hon. friend's constituents have a grievance they should bring it to the attention of the railway commission and endeavour to secure an order

against the railway company for the construction of fences. I doubt however if we would have any right to build fences on railway property; I believe it would be a dangerous precedent to establish. However I shall draw the matter to the attention of the Minister of Railways and find out if anything can be done.

Mr. STEWART (Edmonton): First I should like to say to the minister that, as I pointed out on a former occasion, I see no reason why these expenditures should not have been included in the estimates. We do not have the same opportunity to discuss an expenditure under a relief measure as we would have to discuss a like expenditure appearing in the estimates of a department. In the present year the minister's department is asking for $1,678,000, representing an increase of $54,000 over the amount voted last year. There would be no objection to that, but we find that under the guise of relief the department is asking for a further sum of $1,500,000 all of which, with one or two exceptions, is to be spent for purposes identical with those mentioned in the general estimates.

I shall ask certain questions, and as I proceed the minister may answer them. I would understand that this work will be done under the supervision of officials of the Department of the Interior, and that regular rates of wages will be paid. That is my understanding. So far as I have knowledge of the situation there are no twenty-cents-a-day men in the parks. The work will be carried on under the supervision of the superintendent of highway construction in the parks, and regular rates of wages will be paid.

Then, I note a further provision for the construction of air harbours, landing fields and sewer system. I should like the minister to inform the committee where these improvements are to take place, or in what particular parks the work is to be done. At this point I shall wait for an answer, because there are one or two further questions I should like to ask.

Mr. MURPHY: At the present time in one of our parks a certain amount of work is being carried on by camps similar to those under the control of the Department of National Defence. Those camps will be closed very shortly, and works will be carried on under the provision contained herein.

Mr. STEWART (Edmonton): Would you give me the location of the park you have in mind?

Mr. MURPHY: Riding Mountain national park. In any work carried on under this measure regular wages will be paid, as was done last year. Works will be carried out in various national parks throughout the dominion, namely at Banff, Jasper, on the Golden-Revelstoke highway, Elk Island national park, Glacier national park, Kootenay national park, Prince Albert national park, Riding Mountain national park, Waterton Lakes national park, and Yoho national park. A certain amount will be allocated for engineering supervision of work on certain historic sites, and, as is mentioned in the item, an amount will be spent for the continuation of the Golden-Revelstoke highway.

Mr. STEWART (Edmonton): Where is the sewer system to be constructed?

Mr. MURPHY: An amount of $10,000 is allocated for extension of the water and sewer system in Jasper national park, an amount of $20,000 for sewer system in Kootenay national park, $7,500 for Prince Albert national park water, sewage and drainage and $26,500 for water system in Riding Mountain national park.

Mr. STEWART (Edmonton): I understand it is not for the construction of a complete new sewer system; it is just a continuation of existing water and sewer systems?

Mr. MURPHY: In Jasper and Kootenay national parks amounts are allocated for extensions and improvements to the existing systems. In Prince Albert and Riding Mountain national parks new work is to be done.

Mr. STEWART (Edmonton): Is the government constructing sewers in these thinly populated places? The population of both these parks is very small.

Mr. MURPHY: In Riding Mountain and Prince Albert national parks we are providing water rather than sewage systems, but the amounts are allocated under one heading.

Mr. STEWART (Edmonton): What about the landing fields?

Mr. MURPHY: The sum of $5,200 is allocated to Banff national park, $17,400 to the Northwest Territories and $40,000 to the Yukon. The $40,000 allocated to the Yukon includes expenditures on certain roads. I would point out to the committee, as was pointed out formerly by the Minister of Public Works when, upon my unavoidable absence he was in charge of the item, that these amounts are tentative, and it is possible that the work may not be done in accordance with these exact figures. It may develop as the season goes on, that owing to climatic or other conditions, we may wish to make slight changes.

I believe in the main however that these figures are as accurate as at present they can be given.

Mr. STEWART (Edmonton): I am not concerned with whether or not this money may complete the work or only do a portion of it. Will this levelling work on the landing fields be done by day labour under the supervision of the department or by contract?

Mr. MURPHY: It will be done by day labour under the supervision of the chief engineer of the department or the superintendents of the various parks.

Mr. STEWART (Edmonton): Is there any portion of this vote to be spent on the Lake Louise-Jasper highway?

Mr. MURPHY: It is proposed to spend $110,000 on the Banff end and $115,000 on the Jasper end.

Mr. STEWART (Edmonton): In connection with the Revelstoke or Big Bend highway I should like to know if the section up to the Canoe river has been completed?

Mr. MURPHY: There is a stretch of about 16 miles to complete although certain grading work has been done. As the hon. member knows the department is obligated to build a bridge over the Canoe river and that work will be completed this year under this program.

Mr. STEWART (Edmonton): How much is being allocated for that?

Mr. MURPHY: $185,000 out of this vote but in addition there are certain moneys which were provided for by the act of last year but which were not expended. It is estimated that this section will be completed this year.

Mr. STEWART (Edmonton): In the neighbourhood of $200,000 is to be expended on the continuation of the Jasper-Lake Louise highway.

Mr. MURPHY: $225,000.

Mr. STEWART (Edmonton): $180,000 is being expended on the continuation of the Revelstoke highway.

Mr. MURPHY: $185,000 out of this vote and $100,000 which was provided for by the 1934 act but not expended.

Mr. STEWART (Edmonton): There will be no expenditure with a view of continuing the road westward from Jasper to connect with the Revelstoke highway and the trans-Canada highway.

Mr. MURPHY: There is no money allocated for that.

Mr. STEWART (Edmonton): I want to protest against the expenditure of this money. I cannot understand why the government is constructing a highway from Lake Louise to Jasper before a trans-Canada highway is completed from coast to coast. Much relief work has been provided by highway construction but so far as I can understand very little progress has been made on the construction of the highway to the Canoe river from Golden. The Jasper-Banff highway leads eastward instead of westward and no provision is being made for a trans-Canada highway through Jasper to connect with the Golden coast outlet. To use the mildest language, it seems to me to be the height of folly to build a highway over a mountain peak 6,000 feet in the air and expect that the people from northern Alberta will be able to use such a highway more than one month in the year. An opportunity is offered of building an outlet to the coast at a height of little more than 3,000 feet which would be open practically as long as the roads are open in the province. The government has spent a considerable amount of money on the construction of this highway and yet no outlet to the coast is being provided. There will be great difficulty in keeping this road open, even in the summer time. Down at the southern end of the province a road was constructed around Crowsnest lake and it was found possible to keep it open only six months in the year. Finally a road had to be constructed at the lake level before it could be of any use at all. Yet the government is constructing a road up over 6,000 feet.

I am protesting against this money not being spent to provide a connection with the trans-Canada highway, in connection with which so many promises were made in 1930. Considerable money has been spent on certain sections of this highway but the construction of other sections remains in abeyance and no outlet to the coast is being provided for the people of northern Alberta.

Mr. MURPHY: The road being constructed from Lake Louise to Jasper is a scenic highway which lies wholly within the boundaries of our parks whereas the road advocated by the hon. member lies to a great extent outside the boundaries of the parks. Last year the hon. member took exception to the expenditure of money on the Lake Louise-Jasper highway and advocated the completion of the west leg of the Big Bend highway and a connecting road from Jasper to Big Bend. Both

these roads would lie outside the parks and it would naturally follow that the dominion would have no jurisdiction. The hon. member will recall that during his term of office correspondence was exchanged between this government represented by himself and the government of British Columbia in connection with the building of the western leg of the Big Bend highway from Revelstoke to the Canoe river. This year the dominion government will complete its part of the bargain by finishing the highway from Donald to the Canoe river. Owing to insufficient funds and possibly other reasons of which I am not aware the government of British Columbia have not fulfilled their part of the bargain. Certain work was done on the west leg of the Big Bend road during the past three years by camps under the jurisdiction of the Depart- of National Defence and certain boards of trade and other bodies have asked the dominion to take over the construction of that road. The fact that the dominion government is to-day constructing roads within our parks for scenic purposes does not prevent the undertaking of other road projects. The hon. member will recall that much money was expended upon scenic roads in the parks during his term of office and the building of this Lake Louise-Jasper road is simply a continuation of that policy. As far as the utilization of the road is concerned I have it on the authority of the chief engineer that the road will be available for traffic during the tourist season. I take it from the smiles of the hon. member that he does not agree with the chief engineer.

Mr. STEWART (Edmonton): I would not agree with any engineer who made any such statement.

Mr. MURPHY: And naturally I would take the opinion of the responsible engineer, as I think the hon. member himself would under like circumstances. That is their job. Again, I say that the building of the scenic route within the park, which is our responsibility and which will provide, I am informed, one of the most beautiful scenic routes on the continent, does not prevent the construction of roads outside our national parks. But of necessity, if the dominion government builds roads outside the national parks and on provincial lands, some agreement must be entered into with the province concerned.

Mr. STEWART (Edmonton): A good deal of complaint has been made by the government about expenditures which they have been forced to make on relief. In Ontario, as my hon. friend well knows, and in the other provinces as well, the federal government have been joining the provincial governments in the construction of what is known as the trans-Canada highway. True, at the present time in northern Ontario there seems to be a disagreement between the two governments with respect to what they will do about the matter; but the well known policy of this government was to join the provincial governments, for relief purposes, in the construction of these highways; and my protest here is, first, that despite what the engineer or anyone else may say I know enough about the mountains to know that snow will not be out of passes six thousand feet in the air for more than one month. I know that from past experience because I had to construct a highway in southern Alberta where the summit is only five thousand feet, getting down to lake level at Crowsnest lake. Every engineer knows that, and any engineer who tells the government that a pass six thousand two hundred feet in the air will be open for more than one month in the year is straining his veracity to a great extent. What I am pointing out to the minister, as I pointed out last year, is that this government made very spacious promises in 1930 with respect to this trans-Canada highway. As a matter of fact, the electorate thought that the government were going to build this highway quite irrespective of any contribution by the provinces; and when the minister speaks of the cooperation we offered British Columbia with respect to the Golden-Revelstoke highway, let me point out that that was done for the purpose of avoiding an impossible route across Glacier park. We did it to avoid construction through the park at that point. There was no trans-Canada highway thought of at that time except for the general idea that we should get one across Canada, the provinces constructing every mile within provincial boundaries and we doing our part wherever it passed through crown lands, whether in the national parks or elsewhere. And with that in view the highway was projected to Jasper. We improved a good many years in advance of the arrival of the provincial government at the eastern boundary of Jasper park, the highway through the town itself to the boundary of the park, with the intention of extending that highway westward. At that time we had an agreement, or we were negotiating an agreement to take in Mount Robson park and add it to Jasper park, which would have entailed a good deal more mileage of highway within the park boundary. What I want to point out however is that the construction of the southern end over the summits, which they have adopted, is not going to provide a high-

way for any very lengthy period during the summer unless the snow ploughs are kept at work.

Mr. MURPHY: The hon. gentleman is referring to the Lake Louise-Jasper highway?

Mr. STEWART (Edmonton): Yes. My second point is that before the project was entered into there should have been an outlet from Jasper westward to the coast. If this expenditure that has been made on that highway had been placed on the other we should have been that much closer to having a national highway through Canada. I quite appreciate the fact that this work will be prosecuted and the other will remain in abeyance, and the worst feature of the whole thing is that we are rapidly coming to the point in this country where we shall not be able to make capital expenditures. If we are to add seven or eight hundred millions to the capitalized debt in a period of five years, the chances in this direction will be mighty slim, and the prosecution of the trans-Canada highway may be delayed for years, while money is being spent on what my hon. friend is pleased to call a scenic highway. That is my objection to the whole thing.

Mr. MURPHY: The hon. gentleman advocates the construction of a highway from Jasper westward, and he states—

Mr. STEWART (Edmonton): I am advocating both—first the completion and then any extension.

Mr. MURPHY: And secondly he advocates the completion of the highway westward. May I point out that these areas are outside our national parks.

Mr. STEWART (Edmonton): Had the minister included Mount Robson park in Jasper park, which it was intended to do and ought to be done with the utmost dispatch, when he had reached the boundary of Mount Robson he would have contributed materially to the highway running down to connect with the southern route.

Mr. MURPHY: I am not in favour of the tu quoque style of argument, but the hon. gentleman when he was minister had exactly the same opportunity and it was not done.

Mr. STEWART (Edmonton): There was not a dollar spent on this project.

Mr. MURPHY: Mount Robson park was not included within the boundaries of Jasper part at that time.

Mr. STEWART (Edmonton): An arrangement was made in the agreement to take it and add it to Jasper park. It has not been done.

Mr. MURPHY: There was nothing to prevent the consummation of the agreement at that time.

Mr. STEWART (Edmonton): What has prevented it?

Mr. MURPHY: Just a moment; I say that there was nothing to prevent the consummation of that arrangement to take the Mount Robson area and add it to Jasper park when the hon. gentleman entered into an agreement with British Columbia for the building of the Big Bend highway. But it was not done. I do not know why; he has the answer to that.

Mr. STEWART (Edmonton): There was an arrangement with respect to the transfer of resources.

Mr. MURPHY: It was not an offer of cooperation with the province in the building of the Big Bend highway but a definite undertaking between the two governments. It was not an offer of cooperation as the hon. gentleman said it was.

Mr. STEWART (Edmonton): I did not say anything of the sort. What I said was that we agreed to build that portion in consequence of the abandonment of the road through Glacier.

Mr. MURPHY: Hansard will bear me out to-morrow that the hon. member—whether inadvertently or not I do not know—used the words "an offer of cooperation" in regard to the building of the Big Bend highway. I am pointing out, however, that it was an agreement entered into. He complains of the using of moneys within the park areas rather than using certain money for building the trans-Canada highway, but under the agreement entered into between British Columbia and himself as representing the government of the day, British Columbia gave a definite undertaking to build that portion of the road, and it has not been fulfilled.

Mr. STEWART (Edmonton): Quite true; there is no argument about that.

Mr. MURPHY: Then I fail to understand why the hon. member complains because this government has not gone ahead to date and spent money on that portion of the road which British Columbia itself undertook to construct.

Mr. STEWART (Edmonton): Does the minister want me to tell him why again?

Mr. MURPHY: I fancy I know the reason; the reason is that they were hampered by lack of funds.

Mr. STEWART (Edmonton): That is not the point at all.

Mr. MURPHY: That is the point, if the hon. gentleman will permit me. They agreed to do it and they have not done it. Now whether the dominion government should at the present time complete that portion of the Big Bend road which it was agreed should be constructed by the provincial government is a matter which can be discussed between the two governments as it was discussed in the first instance with the hon. gentleman when he was minister. I have no objection in the world to the hon. member pressing for the completion of that road. Various undertakings have been entered into in the form of agreements between other provinces and the dominion as regards constructing certain portions of the trans-Canada highway and the door is not closed to negotiations between the dominion government and the government of British Columbia for the building of that road.

Mr. MACKENZIE (Vancouver): I wish to bring to the attention of the minister a question raised last week by the hon. member for Vancouver South (Mr. MacInnis) and the hon. member for Vancouver North (Mr. Munn) in regard to the damages sustained by Stanley park due to unprecedented storms last January. This matter was, I believe, drawn to the attention of the Minister of Public Works last week by the two hon. members I have mentioned. I addressed some remarks to the Prime Minister just before he took ill and he promised to give the matter his earnest consideration. Since then it was also taken up with the Minister of Public Works and the correspondence directed to that minister was forwarded by him to the Minister of the Interior. I am sure the Minister of the Interior is conversant with the representations that have been received from the parks commissioner and other authorities of the city of Vancouver with respect to this work. An appeal was made to the city council and some assistance was received from them. A sum of $25,000 was received from the provincial government and an appeal was directed to the Prime Minister for a grant of $50,000. I just wish to take this opportunity of reiterating what was said last week by my two colleagues from British Columbia and to emphasize to the minister the absolute urgency of this work, because this park is in every sense a national asset and its scenic beauty is unrivaled in the dominion. Tremendous havoc was occasioned by what was really an act of God, and I appeal to the minister to make some grant towards the restoration and repair of that park in order to obviate a fire menace that undoubtedly exists at the present time.

Mr. MURPHY: This matter was drawn to my attention as well as to that of the Minister of Labour some weeks ago. After consultation, a joint recommendation was made to council and on May 10 an order in council was passed authorizing the Minister of Labour to enter into an agreement with British Columbia whereby a sum not exceeding $25,000 might be made available for the purpose of clearing away the debris and putting into force silvicultural practice; further, a representative of the forestry branch of the Department of the Interior will be on the ground and his services will be available to the commission or whatever body is chosen to prosecute the work, and moreover, that the value of the debris, which should amount to a considerable sum, I believe as much as $40,000, would also be expended for the purpose of clearing away the debris and doing as much repair work as possible.

Mr. STEWART (Edmonton): May I just point out again to the minister what I stated with respect to the British Columbia agreement for the construction of the Golden-Revelstoke highway. I made no such statement as the minister indicated I did, but I pointed out to him that the federal government was spending large sums of money in conjunction with the provinces in order to complete this highway. I also pointed out that the general impression was, rightly or wrongly, that promises were made in the 1930 election that this highway was going to be a national undertaking from ocean to ocean and was going to be constructed as such. All of this has now apparently been abandoned by the federal government and the provinces are to do this work subject to whatever assistance the federal government is willing to give. As the British Columbia government have shown every evidence of being, to say the least of it, very dilatory in this construction, it seems to me that steps might be taken to render some assistance. I am not suggesting that it be done out of the vote under consideration. Might I point out to the minister that in my opinion this vote would have been better spent on the prosecution of the road from Jasper westward than on the construction of this scenic highway which he describes through the park. I am not objecting to the scenic highway, but it should be made secondary to the other. I want to register a very serious objection to

making the summit some six thousand feet in the Rockies. That is a serious blunder and I do not mind saying so most emphatically. But that it should be commenced at all while the through highway remains in abeyance is something I do not understand and I wish to register a very strong protest in that regard. I hope I have made my position clear.

May I ask the minister this question: In Calgary they are leveling an air port. I brought this matter up the other day—I do not know what department it would come under—and I thought I should have been here on Thursday night to receive an answer. New machinery at a cost of $35,000 was purchased by the contractor and put to work on that undertaking while literally hundreds of men are standing around unable to get employment. The answer I got from the Minister of Public Works was that in some cases it is cheaper to get the work done by machinery. What under heaven are we voting this money for, if not to give employment? If it is for the purpose of utilizing heavy machinery, then it is not relief work at all. I again wish to protest against what has been done in Calgary and to point out to the minister and indeed to all the ministers because every one of them seems to be interested in the expenditure of this appropriation, that it does not matter whether the work does cost a little more, for heaven's sake let human labour rather than machinery do the work and give employment to people who need it very badly. I want to make that protest very strongly. I know I cannot lay the blame at the door of the Minister of the Interior because I have a pretty fair knowledge of how his work is being prosecuted and that all labour possible is employed. But when you find, as I discovered in Calgary, a situation of that kind, I want to protest most vigorously against that procedure being followed when work of this character is undertaken. Let those steam shovels and other machinery rust for a year or two and give men employment.

Mr. MURPHY: The work which is being done in Calgary is not being prosecuted under the jurisdiction of the Department of the Interior. I presume, although I am not certain, that it is being done under the jurisdiction of the Department of National Defence. But may I say to the hon. member that in many cases where the question of employing mechanical machinery or labour of human hands is under consideration, it has been decided in favour of utilizing the services of man rather than of machinery. That to my knowledge has been done in many cases. Whether in this particular case hand labour can be advantageously employed or not, I do not know and I am not in a position to state.

Mr. STEWART (Edmonton): There is no question about it.

Mr. MURPHY: But I wish to point out that in many cases the question has been decided in favour of hand labour when the cost of employing labour by that means is not too excessive. In regard to this particular case I cannot speak with any authority and therefore I do not propose to discuss it.

Mr. STEWART (Edmonton): In every case, quite irrespective of cost, the work should be done by human labour. It is all nonsense for the minister to say to the house that a contract is let and the contractor purchases a new machine for $35,000 that can displace daily the labour of one hundred men. I do not deny the fact that machinery will do the work cheaper, but that is not what the parliament of Canada is voting this money for. This money is voted for unemployment relief. I protest in the strongest terms. No minister has yet come out and stated that as far as this year's work is concerned it will be done with pick and shovel rather than by machinery. We are anxious to have such a statement from the ministers. We had the same statement last year, and yet this year we find work being done in that manner under the guise of unemployment relief, while three hundred men stand around asking for a job and none is to be had. I would like every minister who is in power to spend that money to state that that is the method by which it is going to be spent this year.

Mr. MUNN: Coming back to Stanley park, and the question asked by the hon. member for Vancouver Centre (Mr. Mackenzie), did I understand the minister to say that they had salvaged $40,000 worth of material in clearing up the park?

Mr. MURPHY: No, I did not intend to say that. What I said was that there was a great amount of debris which it had been estimated would produce about $40,000 if sold.

Mr. MACKENZIE (Vancouver): That is in addition to the $25,000?

Mr. MURPHY: Yes, which perhaps as far as we are concerned should be spent in clearing the park of debris and carrying on other operations there

Mr. MUNN: Has there been an amount set aside from this vote for that purpose?

Mr. MURPHY: No, as I explained, an order in council was passed on May 10, empowering the Minister of Labour to enter into an agreement with the government of British Columbia. Under the terms of that agreement an amount not exceeding $25,000 would be granted by the dominion government to assist the provincial government, together with the city of Vancouver, in removing the debris and so forth.

Mr. MUNN: It is the property of the dominion, although under lease to the city, so why should they ask the province to contribute? The condition of Stanley park to-day is a very serious matter. I doubt very much if anything like half that amount of money mentioned will be actually salvaged, because most of the fallen timber should be cut into wood and delivered around town to people who require fuel. In Stanley park to-day certain sections are cleared up, but the park is still a very bad fire hazard. If fire happened to start on the west side with a westerly wind blowing nothing would save the park, all the fire equipment in Vancouver would be useless. Worse than that, the west end of Vancouver is the oldest part and the buildings there are chiefly wooden buildings. If fire ever got started with a westerly wind it would sweep all through the west end of Vancouver. Last session in this house I asked the government to take note of Stanley park. It is their property, it is under lease to the city but the city is not able to take care of it. There should be some work done there. Twenty-five thousand dollars is only a trifle, there should be at least $100,000. Every bit of dead and down timber should be taken out. The dead timber is a breeding ground for beetles that destroy the green timber. Once it is cleaned up there will be practically no trouble or expense in taking care of Stanley park. This is a serious matter. This government during 1932 and 1933 built a retaining wall around the park, and that helped, but this is even more urgent. The minister has to my knowledge an application from the parks board, independently of the provincial government, and I ask him now if it is not possible to make a special grant at once out of this vote.

Mr. MACKENZIE (Vancouver): Referring to this order in council of May 10, authorizing the Minister of Labour to enter into an agreement with the provincial government, by which this government is to spend $25,000, does that entail the expenditure of a similar amount by the provincial government before this government would make their contribution?

Mr. MURPHY: No, there is no stipulation of that nature. But I understand that the province and the city of Vancouver prior to the passage of this order in council appropriated certain money for the purpose.

Mr. MACKENZIE (Vancouver): That is correct.

Mr. MURPHY: There is no stipulation in the order in council that such a clause as the hon. member mentioned should be incorporated.

Mr. MACKENZIE (Vancouver): Has any action been taken by the Minister of Labour under that order in council?

Mr. GORDON: The money is available at any time.

Mr. HOWDEN: Following the remarks of the hon. member for West Edmonton (Mr. Stewart), in 1930, early in this depression, two very substantial bridges were built between Winnipeg and St. Boniface, one over the Red river and the other over the Assiniboine. The money that was expended for those bridges would have given employment not merely to hundreds of men but to thousands. As a matter of fact employment was given to only a mere handful, because the excavation and the pouring of the cement was done by machinery. To-day in Winnipeg the federal government is erecting a large building, and the excavation is being done by these giant excavating machines.

Mr. MURPHY: Pardon me, is the hon. member correct in that statement?

Mr. HOWDEN: I have seen machines working in the basement.

Mr. MURPHY: I do not wish to contradict the hon. member, but I am sure he would not wish to make a statement that is not correct. I visited Winnipeg not more than ten days or two weeks ago and I was informed at that time that the excavation for the caissons and so on is being carried on by hand labour.

Mr. HOWDEN: If that is so I am very glad. I did not pay very close attention but I saw one of those excavating machines in the basement, I do not know the technical name of it. I understand there are only some seventy-eight men working there, and I should think they could put five hundred men in there with shovels. Certainly I have been informed that seventy-eight is the largest number that has been employed at one time

in that basement. I may be mistaken concerning that, but I am not at all mistaken in stating that the work on the Norwood and Assiniboine bridges was done by machines. In driving past the site of the new government building one does not get much of a view because the space is boarded up, but I was sure I saw an excavating machine in there the other day. I shall be glad to know if I was mistaken; certainly this work should not be done by machines but by men with shovels and wheelbarrows.

Mr. MURPHY: My time was limited and I did not visit the work in question, although I intended to, but I shall be very much surprised if I am wrong. In talking the matter over with the contractor he informed me that hand labour was being employed in excavating for the foundations of that building, and the architect also conveyed the same information. I have no doubt the hon. member did see certain machines there at work, but this work is being done by contract and the number of men employed would be decided practically entirely by the contractor having regard to the number he could employ to advantage in a given time. That is a matter with which he would have to deal. May I repeat that I am quite certain the excavation is being done principally by hand labour.

Mr. HOWDEN: I have just been informed by the member sitting beside me that he visited the work while passing through Winnipeg and that it is being performed by excavators and trucks.

Mr. MURPHY: Trucks are being used; that is correct.

Mr. HOWDEN: But the excavators are pouring the earth into the trucks. It is not being done by men with shovels, as we were led to believe.

Sir EUGENE FISET: As I understand the minister's explanation the total amount of $1,500,000 provided under this vote is to be expended on parks, historic sites and so on belonging to the federal government. That is what the appropriation provides for. I must say that as the item is drafted it is extremely misleading. There is nothing to indicate that this money is simply for federal properties; the only thing that suggests that this vote is for such purposes is the title itself and the fact that the money is to be administered by the Department of the Interior. The wording of this item is so loose that it has entailed a great deal of trouble for some of us. It has been reported in the press that some of the $1,500,000 provided under this item could be spent on electric lights, sidewalks and so on, and as a consequence I have received five or six applications from different municipalities for the allotment of certain sums out of this vote. So I would like the minister to state definitely that the whole of this appropriation will be required and will be spent on parks, historic sites and federal property generally, in order to dispose of the rumour that is being circulated at the present time.

Mr. MURPHY: The wording of the item this year follows very closely the wording of the item last year. For the information of the hon. member for Rimouski may I say that last year the money was spent as indicated on national parks, historic sites and lands or property administered by the crown in the right of the dominion, and we propose to follow the same system this year.

Sir EUGENE FISET: Therefore all the applications we are receiving from different municipalities are absolutely useless?

Mr. MURPHY: Quite so.

Mr. MARCIL: Is all this money to be spent in the west?

Mr. MURPHY: No, a certain amount is to be spent on historic sites in eastern Canada.

Mr. MARCIL: Could the minister tell us how much and where it is to be spent?

Mr. MURPHY: Fort Louisburg, restoration, preservation and improvements, $5,000; Fort Anne, Annapolis Royal, Nova Scotia, completion of repairs, alterations and improvements to buildings, $3,500.

Mr. MARCIL: That is the whole expenditure in eastern Canada?

Mr. MURPHY: Yes, under this item of this part of the bill.

Mr. MARCIL: Will any part of this money be spent on Indian reserves?

Mr. MURPHY: No.

Mr. MARCIL: I have two Indian reserves in my county. The Restigouche reserve is the oldest in eastern Canada; it is opposite the town of Campbellton. On that reserve there is a road that is a disgrace to the department and the dominion. A magnificent boulevard has been built by the province of Quebec; there is a ferry connection so that people can visit the old church, but the road on the reserve is practically impassable, especially in the spring and fall. Last year I pleaded for some money to be spent on

that road, but I could not get it. Then in connection with the Maria reserve I forwarded the claim of a poor returned soldier, amounting to $25, for the maintenance of the road during the winter time, but even that claim was turned down by the department. We hear about scenic roads in the west, climbing five thousand or six thousand feet into the air. I should like the minister to give some attention to these cases I have cited in the east, to see if he cannot spend some money on the terrain des vachés, as we say in French. These roads of which I speak are used the year round; they are not used only one or two months a year by the rich people. I see something for the Lake Louise road. I suppose that is intended to attract people to the Canadian Pacific hotel there.

Mr. MURPHY: No, that road is already built.

Mr. MARCIL: I want to direct the attention of the minister to these two reserves. These are the only expenditures I can expect his department to make in my county. As the minister knows, his department spends very little in the older provinces; he has mentioned two items totalling about $8,000, a mere drop in the bucket. If he could spend some money on the roads on these reserves he would be doing something that would be a credit to himself and to the department.

Mr. SPENCER: The suggestion has been made to-day, and it was made last week, by some members of the official opposition that the government should do away with machinery, that they should let the machinery rot or rust and keep more people at work by giving them picks and shovels. In my opinion to adopt such a suggestion would be simply to turn back the hands of the clock. To be logical why not go a little further; why not take away the picks and shovels and give the men trowels or even teaspoons? Then everyone would be kept busy. Surely we should approach this question in a different manner. In giving work we want to produce goods or those advantages for which the people are looking. If we have too many people idle to-day may I suggest that we could very soon get rid of a great many of them by reducing the age at which they would become eligible for old age pension to sixty years. If that were done two hundred thousand people would be taken off the labour market. To-day we have no less than eighty thousand people over the age of seventy years who are still working. If full advantage were taken of the old age pension, therefore, a very large number would be taken off the labour market.

Surely to-day we must realize that we should enslave the machine to mankind rather than turn it the other way around, as has been suggested, and enslave mankind to the machine. I strenuously object to turning the hands of the clock backward. I am in favour of using machines to the limit, so long as we see that the people have sufficient purchasing power with which to buy the things that are produced.

Mr. MacLEAN: I should like to direct a matter to the attention of the Minister of Railways, though it may not come directly under this item. A portion of the trans-Canada highway is being constructed in the province of Prince Edward Island, and I sincerely trust that that province will be given some consideration in connection with the grade crossing fund. I regret to say that in recent years there have been some very serious accidents on our highways, and that very little of the grade crossing fund has been spent in that province. I am glad the Minister of Railways is in his seat; I feel sure that he will direct the attention of those in charge of the expenditure of this money to this point, so that Prince Edward Island will get its share of the grade crossing fund.

Mr. ELLIOTT: Just while we are on the question of level crossings, the Minister of Railways was going to give the committee some information as to the number of level crossings that have been eliminated in the rural sections of the dominions in each of the last two years.

Mr. MANION: I thought I gave all the information my hon. friend asked for. I did give quite a bit of information dealing with the number of grade crossings eliminated, but I do not know that I remember the point he has just made. However I shall look into the matter and give the information which at the present time I have not at hand. I do not think that information was asked for. I did get the information covering some years, which appears in Hansard, but whether I gave it as the hon. member wishes it, I do not know.

Mr. ELLIOTT: The minister said he had not the information with regard to the number which had been eliminated in rural sections, but that he would get it. I should be very glad if he would, because it is a matter which is of great importance to the people in the constituency I represent. In passing may

I state that I concur in the remarks of the hon. member for Prince. I do not know of any expenditure which could have been more advantageously made at the present time than one which would have had the effect of eliminating level crossings under a procedure which would have to be carried out by teams and hand labour. This work would give real employment, and I should be glad to learn the extent to which the crossings other than those in cities and towns have been eliminated by expenditures made in the last couple of years.

Mr. MANION: I shall look into the matter. Further, I shall be pleased to call the attention of the board of railway commissioners to the remarks of the hon. member for Prince because, as I have previously stated, the work of eliminating grade crossings is one which rests almost entirely in the hands of the board.

Mr. MARCIL: I should like to have that point cleared up, because I know the minister is always ready to give us all the information he can. I know however that it is no use to apply to the government to do away with level crossings; we must apply to the railway board.

Mr. MANION: Correct.

Mr. MARCIL: It is entirely in their hands.

Mr. MANION: Yes, except in one regard which, in connection with this vote, I should like to explain, so that there may be no misunderstanding. I stated the other evening that generally speaking the board of railway commissioners can give only a certain amount towards the elimination of grade crossings,—40 per cent up to $100,000 were the figures I gave. I did say however that there might be occasions in connection with this vote where some municipality or railway might take the attitude that at the present time it could not afford to contribute its share, and I indicated that if in certain instances great dangers existed the government might, under this vote, contribute more than the 40 per cent to some of the smaller—and these would be rural—grade crossing eliminations.

Mr. EULER: Has the railway commission absolute power to decide the proportions which shall be paid by the municipality and the railway company?

Mr. MANION: I think that is correct; the board of railway commissioners has full power, in the event of their being approached by a municipality, a railway company or a province asking to have a certain level crossing eliminated. They look into the case, and in the event of giving judgment that it must be eliminated they allocate the expenses to the municipality, railway company or other parties interested.

Mr. EULER: There is no fixed proportion?

Mr. MANION: No. For example, if the road was built before the railway crossed it, then the greater responsibility would be on the railway company. If on the other hand the road were built subsequent to the building of the railway greater responsibility would be on the municipality which built the road. The dividing up or allocating of expenses in connection with the elimination of a crossing is a matter which rests entirely in the hands of the board of railway commissioners.

Mr. MacLEAN: There is a grade crossing in the incorporated town of Borden which was brought to the attention of the board of railway commissioners. They looked over the situation and although the railway at that point is elevated high enough to permit the building of a tunnel yet we could not persuade the commissioners to take up their share of the work. I am very sorry to state that a very fine couple from the province of Ontario met their death at this crossing while touring in the province. The tracks are high enough to permit the building of a tunnel and in my view the board of railway commissioners are unreasonable in their stand. Of course it is not a very public crossing and yet as is indicated, it is dangerous. In addition, a section of the trans-Canada highway passes near that point. I sincerely trust that as the minister has promised we will get our share of the money.

Mr. EULER: In view of the many thousands of level crossings throughout the country it would seem to me that the amount appropriated for their elimination is very very small. Has the board of railway commissioners ever made any representations to the government indicating that they feel a necessity for a greater appropriation to meet legitimate demands?

Mr MANION: Yes, representations have been made to the government by the board of railway commissioners suggesting increased amounts. As the hon. member knows, for some years the amount has been $200,000 annually, but under relief legislation in the past two or three years on two occasions the government has allocated an extra $500,000, a total of a million dollars, to the board of railway commissioners for this project. That is in addition to the regular allocation of $200,000 per annum. It has been suggested that we

make a regular contribution, but no decision has been made. The million dollars in this bill, together with the previous million dollars and the regular amount of $200,000 in each year would give a total of $700,000 for each of the past four years. This money has been given by the government to the board of railway commissioners.

Mr. EULER: Is that as much as or more than the board of railway commissioners thinks is necessary?

Mr. MANION: I do not remember off hand, but I do not believe they specified any particular amount. They did think however we should increase the $200,000. I doubt whether or not they suggested a fixed amount. I believe $700,000 per annum would be an amount which they would consider fair.

Mr. REID: Under this vote does the government contemplate spending anything at the historic site of Fort Langley? Fort Langley was the landing place of Sir James Douglas, and is one historic site in British Columbia which should receive consideration.

Mr. MURPHY: No expenditure for that purpose is provided under the measure.

Mr. REID: Would the minister take under advisement the possibility of doing something at that point, because I believe it has been neglected. Does it come under his jurisdiction and is it recognized as a historic site?

Mr. MURPHY: I find that Fort Langley is now under the jurisdiction of this department, but that no provision has been made for an expenditure under the item now before us. However I shall be pleased to obtain an expression of opinion from the historic sites and monuments board, and this will enable a decision to be made.

Mr. BEAUBIEN: Last Thursday the Minister of Public Works stated that under item 11 of the schedule, totalling $1,500,000, only $62,000 would be spent in the province of Manitoba. Would the minister verify that point?

Mr. MURPHY: We propose to spend in the Riding Mountain national park the sum of $62,000 and $18,500 on Fort Prince of Wales.

Mr. BEAUBIEN: That is all that will be spent in Manitoba?

Mr. MURPHY: Out of this item of $1,500,000.

Mr. BEAUBIEN: Does the minister propose to spend any money in the peace garden?

[Mr. Manion.]

Mr. MURPHY: The hon. member knows that this garden is located in a provincial forest reserve and is not under the jurisdiction of this government. In making up the tentative program for this $1,500,000, no amount was allocated to that area. This garden has a national interest as it was established to commemorate 100 years of peace between this country and the United States and to further the cause of future peace between the two countries.

Mr. BEAUBIEN: Can the minister take any part of this $1,500,000 and spend it at random any place he chooses outside of the national parks or the territories?

Mr. MURPHY: It is not the intention to spend this money at random. As I explained to the hon. member for Rimouski (Sir Eugene Fiset) a few moments ago, it is intended to expend this money in the national parks and upon other projects which will be carried out in the territories.

Mr. BEAUBIEN: Will the minister make it clear that his department will not spend any of this $1,500,000 except in public parks and upon dominion properties?

Mr. MURPHY: I endeavoured to make that clear when I replied to the hon. member for Rimouski. I understand that my colleague, the Minister of Public Works (Mr. Stewart) has made a similar statement. Last year a similar item was passed and the moneys were expended in our national parks, upon historic sites and lands under the control of the dominion.

Mr. BEAUBIEN: That is not very definite. With this $1,500,000 in his pocket the Minister of the Interior becomes a Minister of Public Works, in fact as far as money to be expended is concerned we have several departments of public works. I want to know if the ministers have the right to take any part of the moneys allotted to their departments and spread it around any place they choose in order to influence certain sections of the country? I think we should know just exactly where this money is going to be spent. I have received the same type of request as that received by the hon. member for Rimouski. Everyone seems to be under the impression that the different ministers can do just what they like with the money which has been voted to them. I think we should know what the situation is.

There is another matter I should like to bring to the attention of the minister, something I brought to the attention of the Minister of Public Works the other day. I

have received information which I believe to be fairly authentic, although it is hard to prove, that on these public works a man must sign, seal and deliver a document that he has voted one way all his life and will continue to do so before he can obtain a job. This is a very hard thing to prove and if this condition exists in the department I hope the minister will see that it is remedied as soon as possible. I am not offering this by way of criticism of the minister as I have not been able to substantiate my information. If parliament is going to vote money to relieve unemployment I do not think party politics should enter into the matter in any shape or form. I told the Minister of Public Works the other day that in connection with the construction of a public building in Winnipeg less than one-third of the men employed had been on the unemployed lists. The Minister of Public Works indicated that that was a fairly large percentage and if that is so the government should do everything in its power to see that more unemployed are given work. I should like a definite statement from the minister that this $1,500,000 will be spent in the national parks and in other places belonging to the crown rather than at random.

Mr. MURPHY: I can give my hon. friend as definite an assurance as I am capable of giving that the money will not be spent at random. The tentative allocation of this money was given the other day by the Minister of Public Works and it is already on Hansard. With regard to the selection of men according to their political leanings, I may say definitely to my hon. friend that such is not the practice in the Department of the Interior and it will not be in the future. Perhaps he will forgive me for being a little jocular, but I believe it is very hard to obtain definite information as to the political leanings of anyone. My own personal experience has been that it is rather hard to find that out, and I think many other hon. members have found themselves in the same position.

Mr. BEAUBIEN: Some of the officials in charge of this construction work may not be as broadminded as the minister and I am bringing this matter to his attention in order that he may look into conditions.

Mr. MURPHY: I think the best answer I can give to the hon. member is the statement that we have been conducting these national parks since 1930 without any charge of political patronage having been made against the department in connection with the choice of labour.

Mr. BEAUBIEN: The minister will understand that we are on the eve of an election.

Mr. VALLANCE: I should like to know how much of the amount voted in the bill of last year remains unspent and whether it will be spent this year.

Mr. MURPHY: The unencumbered balance of the vote of $2,000,000 under the 1934 act is $979,234.43, which amount is available for expenditure during the current season. Whether it will all be spent will depend to a great extent on the progress that is made with various works, because it might be that some money would be unexpended this year, as was the case last year, on certain of the projects.

Mr. VALLANCE: Perhaps the Minister of Public Works could tell us how much of the total $40,000,000 voted last year was not spent last year.

Mr. STEWART (Leeds): The best estimate I can give is that about $2,000,000 had been spent up to the first of April.

Mr. VALLANCE: So that there is approximately $30,000,000 after the first of April. Then you have $3,000,000 and $17,940,000 that can be spent during this year. I want to say something in support of the remarks of my hon. friend from Rimouski. I think that when the public reads the title of this bill it may easily misconstrue it. This is an act to create employment by public works and undertakings throughout Canada and to authorize the guarantee of certain railway equipment securities. Reading that, one might readily come to the conclusion that even in this item which we are now discussing in connection with the Department of the Interior bridges could be included. In letters I have received the question is asked whether it will be possible for the government, without designating the place, to build a bridge out of this $1,500,000. I see my hon. friend from Rosetown here. He and I are both interested in a bridge which was provided for in the act of last year, the bridge at Outlook. A good deal has been spent there and is being spent at the present time but so far only in connection with the approaches; on the bridge itself not very much has been done. What condition is the bridge in now? I see it from time to time when crossing on the railway bridge and I should like to get a statement from the minister. When can we expect that it will be open for use?

Mr. STEWART (Leeds): A contract for the substructure has been awarded and the work is being proceeded with as rapidly as

weather and the flow of the river will permit. The engineers are preparing specifications and we are about to invite tenders for the steel superstructure.

Mr. HOWDEN: I want to discuss very briefly a federal building which is now going up in Winnipeg. It evidently was in the understanding of the Minister of Public Works that the work should be done by hand labour without the assistance of large machinery, but I gathered as I glanced through the open gateway—that is about the only view one can get of it—that excavating machines were at work on the basement. If it was the belief of the Minister of the Interior and the Minister of Public Works that the work was to be done by men using shovels, which would have afforded employment to very many more men than are probably working at the present time, and if the contractors on their own responsibility are substituting machinery for hand labour, I think we ought to know about it. Was this work supposed to be done by men using shovels, so as to afford employment to a large number of men? If so, it should be seen to that machinery is not permitted to be substituted for hand labour.

Mr. STEWART (Leeds): I was in Winnipeg recently and saw the work being carried on. The greater part of it is being done by hand labour.

Mr. VALLANCE: In connection with the Outlook bridge, do I understand that the minister said he was inviting tenders or that he was advertising for tenders?

Mr. STEWART (Leeds): That has not yet been decided.

Mr. VALLANCE: Is it the policy of the government to invite rather than to advertise?

Mr. STEWART (Leeds): In the main the Public Works department have invited public tenders, but there are certain small works—

Mr. VALLANCE: This is not small.

Mr. STEWART (Leeds): —in connection with which tenders have not been invited publicly. I have dealt with that on several occasions. Each case must depend on its own merits. If it is not possible to secure fair, reasonable and proper competition by inviting tenders, then public tenders are called for.

Mr. VALLANCE: The construction of the approaches has been done by day labour?

Mr. STEWART (Leeds): The approaches were constructed by day labour but a contract was let for putting in the foundation.

[Mr. H. A. Stewart.]

Mr. MACKENZIE (Vancouver): Is the order in council of May 10 available regarding Stanley park?

Mr. MURPHY: I will see that the hon. gentleman obtains a copy.

Mr. MUNN: With regard to the $40,000 for salvage, walking out of the chamber I heard one hon. member from the opposite side remark, "That is good; $65,000 for Stanley park in one day. Twenty-five thousand would have been all right." I may tell the minister that the commercial value of all the timber in Stanley park would not be more than half $40,000 to-day. Will the minister give the name of the forest engineer or of the person who placed that estimate of $40,000 on the salvage?

Mr. MURPHY: The information was conveyed to me in the form of a memorandum or letter, not addressed to myself, but which I saw, from the chief forester of the province of British Columbia. If I remember rightly, and I have a fairly good memory, he estimated that there were ten thousand cords of wood which he valued at $4 a cord, which would amount to $40,000.

Mr. MUNN: It puts the parks board in a wrong light. It is not worth $4 a cord; you could not get more than half that. I have been in the woods all my life and in Stanley park, over every foot of it. A good many people think that it is virgin timber, but Stanley park was logged a good many years ago and the big trees are all gone. There are very few old timers. The commercial value of the timber there is not more than $20,000 to-day. It is only 600 acres. It is not fair to the parks board to say that they are salvaging $40,000 worth of timber. They might sell $40,000 worth of timber if they could cut it all off, but it would cost a good deal of money.

Mr. STEWART (Leeds): I told the committee that I thought I could give some additional information in connection with the operations at Winnipeg. All the excavation is being done by hand labour. The only machine used is an air compressor to provide power for breaking rock.

Mr. ELLIOTT: Did I understand the minister to say that the substructure of the bridge at Outlook had been let after public advertisement?

Mr. STEWART (Leeds): I did not say that.

Mr. ELLIOTT: It was let by invited tender?

Mr. STEWART (Leeds): Yes.

Mr. ELLIOTT: I want to ask the Minister of the Interior a question in regard to what was said by the hon. member for Bonaventure as to Indian roads. As I understand the matter, no part of this item is to be applied toward Indian reserves. Am I correct in that?

Mr. MURPHY: That is correct.

Mr. ELLIOTT: But there is in the estimates an item for Indian Affairs providing this year for an increase of $340,000 over the amount voted last year. I wonder whether the minister could give us an idea how much money was expended on Indian reserve roads out of the amount voted then, because there is great complaint particularly from one of the reserves in my constituency with regard to the condition of one of the roads. I have had it mentioned to me by people who have attempted to drive over it that the road about which I wrote the minister and was unable to get a grant of, I think, $100, is at present in a practically impassable condition. Is there any fund from which that could be repaired, or is it the policy at the present time to leave roads on Indian reserves in that condition?

Mr. MURPHY: The estimates of the Indian department have passed the house and I am sorry I have not before me the information as to the allocation of moneys which may be expended this year on different reserves. I could have given the hon. member the information when the estimates were before the house, but unfortunately I am not in a position to do so this afternoon although I shall be glad to give it to him by correspondence. I think the hon. member had reference to the moneys voted under the parliamentary estimates and not to the moneys voted under the Public Works Construction Act of last year.

Mr. ELLIOTT: Quite right.

Mr. MURPHY: The hon. member says that that is quite correct. Again I can only express regret that I have not the information before me to tell him whether or not any money has been designated this year for work on the roads which he has in mind.

Mr. ELLIOTT: My hon. friend will obtain the information, I understand?

Mr. MURPHY: I will be glad to see that the hon. member gets the information.

Mr. ELLIOTT: Could the minister tell the committee what proportion of the money spent last year was spent on contracts that were let by public advertisement, and what on contracts that were let on invited tender? Some of the contracts that have been let, for instance, for buildings, have been let without advertisement for tenders.

Mr. MURPHY: Is the hon. member inquiring about the vote of 1934 in the Department of the Interior?

Mr. ELLIOTT: Yes, I am inquiring particularly about moneys that were spent on buildings last year.

Mr. MURPHY: There have been only two structures on which tenders have been invited; a list of contractors were invited to tender on those two. One was a bridge and the other was a public building.

Mr. ELLIOTT: Shingwauk home?

Mr. MURPHY: The Shingwauk home was constructed by the Indian department, not the Interior. I understood the hon. member was inquiring about the vote in the Interior department.

Mr. ELLIOTT: It was by invited tender?

Mr. MURPHY: Yes.

Mr. ELLIOTT: And the Qu'Appelle building was by invited tender?

Mr. MURPHY: That is correct.

Mr. ELLIOTT: Of the buildings erected out of the money provided under the Public Works Construction Act of last year, how many were erected after published advertisement?

Mr. MURPHY: The buildings to which I have referred were built from funds provided from the Public Works Construction Act, and not from parliamentary appropriations. I believe we have constructed a few day schools by day labour under supervision, but the Shingwauk home and the Indian school at Le Bret, Saskatchewan, are the only buildings of any magnitude constructed by the Indian department under the Public Works Construction Act of 1934.

Mr. ELLIOTT: And they were both by invited tender?

Mr. MURPHY: Yes.

Section 1 agreed to.

Section 2 agreed to.

On section 3—Acquisition of lands.

Mr. ELLIOTT: There is no change from section 3 of last year?

Mr. STEWART (Leeds): No; it is the same.

Section agreed to.

On section 4—Amount appropriated.

Mr. MANION: Some weeks ago I submitted an amendment to clause 4, the amendment which I explained at the time rather briefly was that all the words after the word "arising" in the sixth line be struck out and the following substituted therefor:

Under section 9 of this act.

The effect of it would be that the $18,000,000 mentioned would not include whatever expenses we were put to in regard to railway equipment.

Amendment agreed to.

Mr. ELLIOTT: There seems to be a change between the act of last year and the one this year. Last year section 4 provided:

The governor in council may pay out of moneys provided for that purpose in the consolidated revenue fund.

This year the clause reads:

The governor in council may authorize the Minister of Finance to pay out of unappropriated moneys in the consolidated revenue fund.

What is the real difference, if any?

Mr. STEWART (Leeds): The change is made on the suggestion of the Department of Finance to make the matter a little more regular, a little clearer; that is all. There is no difference in effect.

Mr. COOTE: Might I ask the minister whether all the money that was voted last year, that is $40,000,000, was spent?

Mr. STEWART (Leeds): No; I have said that prior to, we will say the end of March we estimate about $10,000,000 had been earned.

Mr. COOTE: There was an understanding that the $40,000,000 to finance that project was to be secured through a change in the Dominion Notes Act allowing a greater issue of dominion notes on the gold then held. Could the minister tell us whether the $40,000,000 was provided in that way, and if so, whether the balance will be available for the purposes of this measure?

Mr. STEWART (Leeds): The legislation provides that this is to be paid out of the consolidated revenue fund and so far as I am concerned I do not know just how to answer my hon. friend's question; that is a matter for the Department of Finance.

[Mr. Elliott.]

Mr. COOTE: Speaking for myself, I do not like to see the money for this work secured through taxation. The government might well have additional money issued which would not be at the expense of the taxpayers. The Bank of Canada is in a position to issue a good deal more currency on the basis of the gold they have in their charge now, even without revaluing the gold; that is on the basis declared safe by the orthodox financiers of the world. The international economic conference agreed that twenty-five per cent of gold reserve was sufficient for the issue of notes. It would be a very proper thing to provide that the moneys to be spent under this legislation might be secured in that way. There is a shortage of money in Canada to-day, and this would be a splendid way to make it up. I suggest that to the minister. It was understood last year in many quarters that the additional money which the government was allowed to issue because of the change in, I think it is the Dominion Notes Act, was to be used in payment for that construction program. If it was not it certainly should be used to finance the work provided for under this bill.

Section as amended agreed to.

Section 5 agreed to.

On section 6—Tenders.

Mr. ELLIOTT: There is an amendment of which I gave notice some time ago which I wish to move, to add the words "by public advertisement" after the word "tenders" in line 4. The section will then read:

Except as hereinafter provided, the minister or department of the government entrusted with the administration, management and execution of any of the works set forth in schedule A to this act, shall invite tenders by public advertisement for the construction and execution of such works, and contracts for all such works and undertakings shall be awarded under the direction of the governor in council.

I do not think it necessary to explain the proposed amendment, because we discussed it before, and discussed it last year. Under section 7, in cases of pressing emergency where delay would be injurious to the public interest, or in which from the nature of the work it could be more beneficially executed under the control of the officers of the department, and where the engineers so certify, it can be done without public advertisement. There is no objection to that. That has been the practice for some time.

But the great change which was made a year ago, and which I submit has worked badly is that tenders can be invited for practically any kind of structure up to any amount without public advertisement. This bill is to create employment by public works, it is really for unemployment relief. When the first unemployment relief act was passed after this government came into power it was explained by the Prime Minister, in reply to a question by Mr. Woodsworth as reported at page 66 of Hansard of September 10, 1930. The following is what was said:

> Mr. Woodsworth: How is it proposed to allocate the amount between the various provinces?
>
> Mr. Bennett: It is not intended to undertake that duty by this measure, but rather that the administration of the act shall be of such a non-political character that each particular claim will be dealt with on its merits without regard to any other consideration.

Now the very reverse of that has taken place. Take the two buildings built by the Department of the Interior and the Department of Indian Affairs, the new Shingwauk home, the lowest tender was $151,784, and for the Qu'Appelle residential school at Le Bret, Saskatchewan, the lowest tender was $164,926. Neither of these were let after public advertisement. According to the statement of the Minister of National Defence the only building which tenders were called after public advertisement by that department was the recreational building at the Royal Military College, Kingston. We have the barracks, block 2 at Calgary, $163,546 let without public advertisement, the mess building at Calgary, $147,250 let without public advertisement, the grading of the landing field referred to this afternoon, $128,756 let by contract with no public advertisement. We have the stable building at Calgary, costing $63,962 let without public advertisement.

The Minister of Marine stated that in practically every case contracts under his department were let without public advertisement.

The Minister of Public Works has let a great many contracts for regular public works after public advertisement; his iniquities have not been quite as great as those of the ministers in charge of some other departments. But he seems to think that the money voted under the Public Works Construction Act can be dealt with in a different way from that voted for regular public works, so he does not follow the system nearly as closely for those as he does for works done out of the regular public works estimates. For instance he invites tenders without public advertisement for the substructure of the bridge at Outlook amounting to $134,522. He invites tenders not by public advertisement for the construction of the building at St. Joseph d'Alma, $24,100, also for the construction of the public building at Beauport, Quebec, $16,365 and for the public building at Berthierville, Quebec, $42,520 and for the alterations and additions to the building at Hull, $20,784. None of these contracts were let after public advertisement, while in a great many cases, as I pointed out the other day, he calls for tenders by public advertisement for buildings costing $3,000, $4,000, $5,000 and $6,000. I do not think there is any justification whatever for saying in regard to this particular bill, We just invite tenders, particularly when it comes to buildings costing over $50,000. And I have given cases of a number of buildings costing over $100,000. I do not intend to labour the matter. I just give these few instances to show the folly of expending public money in this way. Why is this done? Is it unemployment relief? It is not being carried out under the undertaking with regard to unemployment given by the Prime Minister, which I have just read and which appears at page 66 of Hansard for 1930. Is it intended to give an advantage to the friends of my hon. friends? I cannot speak with regard to a number of the buildings but I have made definite inquiry in some cases, and I am told that every contractor who was invited to tender was a Conservative.

An hon. MEMBER: Why not?

Mr. ELLIOTT: My hon. friend says why not; that is exactly the point, and I have no doubt that is just what has been said to the various ministers concerned. This is not for unemployment relief; it is relief for the friends of the Conservative members of parliament who will be unemployed before very long if the public really get to understand that this is their idea of how public money should be expended.

An hon. MEMBER: That was the way you did it.

Mr. ELLIOTT: Not at all, and my hon. friend knows that, if he knows anything of what he is talking about. The Minister of Public Works knows perhaps better than anyone else in this house that the life of the minister in charge of that department is not a bed of roses at any time.

Mr. STEWART (Leeds): It has not been for the last week.

Mr. ELLIOTT: It has been a lot easier in the last week than it was when he had some of his friends after him to invite tenders instead of advertising for them; I am perfectly sure of that. Not only does it make it much more difficult for him and the officials of the department, but it is most unfair to the people whose money is being spent. I have argued this before. I argued it a year ago without much success, and I may not have any greater success this time, but I believe the minister of Public Works will support me, because he knows the evils that have grown up under this practice. The other day we heard of the money spent around a little island, and we remember what the Minister of Marine had to say when his estimates were under examination. When we give the minister the right to let these contracts to those who happen to be the friends of the government in certain sections of the country, we place in the hands of his friends a weapon that they should not have. If you examine the estimates you will find this interesting thing, that you pay much more for the work, as a general rule, when tenders are invited than you do when they are let by public advertisement.

I do not propose to take up more of the time of the committee. I move, seconded by the hon. member for Gloucester:

That section 6 be amended by adding the words "by public advertisement" after the word "tenders" in line 4.

Amendment negatived on division.

Section agreed to.

On section 7—Cases in which tenders may not be required.

Mr. ELLIOTT: I have an amendment to this section, of which I have given notice. I move, seconded by the hon. member for Gloucester:

That section 7 be amended by striking out the word "fifteen" and substituting therefor the word "five" in line 15 thereof.

That will make the last part of that section read:

Provided that in the case of any one work the cost of which is estimated to be less than five thousand dollars, the minister of the department in charge of such work may proceed with such work under the direction of such minister or department.

My proposed amendment gets back to what was the law before this act was passed last year. It puts into force the old rule that has been followed in the Department of Public Works, and as a matter of fact in practically every department, since confederation. I urge that this is not the time to relax the safeguards that should be thrown around the letting of contracts for public works by tender after public advertisement. I am proposing to reduce the amount from $15,000 to $5,000, and I do not think I need argue the point further.

Mr. STEWART (Leeds): I should like to say just a word in answer to my hon. friend as to why the $15,000 is adopted instead of the $5,000. It may be interesting to the committee to know that up to some little time ago the number of orders in council passed under the Public Works Construction Act of last year was 566 and that the number of orders in council for amounts between $5,000 and $15,000 was no less than 166. We have been criticized both in and out of this house for not getting on more rapidly with the expenditure of this money. I think my hon. friend will appreciate that it makes very little difference whether the amount is $5,000 or $15,000. If it is safe to entrust the minister of a department with responsibility of dealing with an expenditure of $5,000 it ought to be safe to entrust him with the responsibility in connection with an expenditure of $15,000. Surely you cannot measure his capacity up to $5,000 and say it stops there. But the main object in making this change is to enable us to get on with the work more rapidly. There were 166 times when we had to go to council for these little works costing between $5,000 and $15,000. My hon. friend knows that very often that involves unexpected delay. Much of this work is seasonal in its character, particularly in connection with small works in harbours and rivers, and the result is that in many cases the work has run into bad weather and we have not been able to complete it during the current season. Some of the work has had to be carried over, resulting in inconvenience and added expense to the contractor. That is why we are asking that the amount be $15,000 instead of $5,000.

Mr. ELLIOTT: I just want to say that I think that is the poorest explanation I ever heard.

Mr. STEWART (Leeds): My hon. friend has said that with respect to every explanation I have made.

Mr. ELLIOTT: I think there is a good deal of force in it with regard to them all. Let me just analyze the answer of the minister. First of all I think he said there were 166 orders in council passed for works costing between $5,000 and $15,000. That means that the iniquity is just one hundred and sixty-six times as great as if only one order in council

had been passed in this way. It is less trouble for the minister and the officials of his department to have it so that they have to take the proper precaution in respect of all buildings over $5,000 than if the limit is left at $15,000. Then he states, "If $5,000, why not $15,000?" Why did he stipulate $15,000 at all, if $15,000 is just as good as $5,000?

Mr. STEWART (Leeds): I thought it would satisfy my hon. friend.

Mr. ELLIOTT: The minister knew very well it would not satisfy me or any other person who knows how the work is done. If he had followed his argument a step farther, he might have said, "If $15,000 why not make it $50,000?" I have heard him make some pretty thin arguments but without doubt this one holds the least weight of any I have heard him make.

The next part of his argument is just a little worse, namely that there was so much money to be spent and such a short time in which to spend it that certain things could not be done. I am telling the minister that he knows perfectly well that the reason they did not start these orders in council until the last season was practically over was that there was no election in sight.

Mr. STEWART (Leeds): Oh, no.

Mr. ELLIOTT: That is the reason. He said it was getting along late in the season. I agree with him this far, that he could not have had them passed in time to have the work done last season if he did not pass the order in council for them until this year. That is what happened in connection with a great many of them.

Mr. STEWART (Leeds): No.

Mr. ELLIOTT: Yes, a great many of them. I have gone over the orders in council; they have been streaming in in the last couple of months.

Mr. STEWART (Leeds): Yes, because plans and specifications had to be prepared and tenders invited. The bill was not passed until June, and the hon. member must know very well that it takes months to have these things done. Then the winter season comes along. That is another bad explanation, I suppose.

Mr. ELLIOTT: Yes, another terrible explanation, one so flagrantly poor that no one would pay any attention to it. The minister knows perfectly well he did not begin to put the estimates through last season until the season was well along. I am familiar with the orders in council, and the suggestion that he and his officials did not have time to get them through within a reasonable period is no excuse whatever. However, I am not going to debate the point further. If he is willing to take the responsibility of leaving it at $15,000—and I had hoped he would make a change; in fact I understood he even suggested a change—

Mr. STEWART (Leeds): No, I did not suggest a change.

Mr. ELLIOTT: His alleged reasons are just excuses. There is nothing in them. And the idea of raising the limit from $5,000 to $15,000 because the great bulk of the buildings come between those two amounts, so that he had to pass one hundred and sixty-six orders in council, is just a further evidence of how bad the measure is as it stands.

Amendment negatived.

Section agreed to.

Section 8 agreed to.

On section 9—Power to guarantee equipment securities of C.N.R. and C.P.R.

Mr. STEWART (Leeds): There are amendments to this section, which the Minister of Railways believes will make it more workable.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. MANION: This is the section in connection with which I submitted two amendments some weeks ago. The results of these amendments are simple although the amendments themselves are perhaps a little complicated. The first amendment is in connection with subsection 1 and is to change the word "improvement" to the word "repairs." This makes the section a little more correct from a standpoint of the railways. The next amendment is to add to the end of subsection 1 the following words:

—and provided further that the governor in council may authorize the Minister of Finance to reimburse the Canadian National Railways out of any unappropriated moneys in the consolidated revenue fund of Canada, the amount of any further interest payable on account of any of its securities issued under the authority of this section for the purpose of repairs of railway equipment.

In short, this amendment is made necessary because of the fact that repairs cannot be charged to deficit. The effect of the amendment will be that the government may

choose, in the case of the Canadian National Railways, to pay outright for the repairs. In other words, the Canadian National Railways would get the repairs as a gift whereas the Canadian Pacific Railway will owe the money for the repairs. There is another amendment to add a subsection 4, the effect of which is to permit the Minister of Finance, instead of guaranteeing the securities, to purchase the equipment, sell it to the railways and take back a lien. The bill as drawn provides that the Minister of Finance on behalf of the government may guarantee the securities for these equipment orders, but after consultation with the railways it may be decided that the government will purchase the equipment and take a lien upon it instead of guaranteeing the securities. There are technical difficulties in connection with equipment trust liens and this amendment will enable the Minister of Finance to do what I have just explained.

Mr. STEWART (Edmonton): I think there is some justification for the difficulty in which the minister finds himself. In the case of the Canadian Pacific Railway, would the mortgage taken be only on the equipment itself?

Mr. MANION: Yes.

Mr. EULER: What form of security would the government exact from the Canadian Pacific Railway? Would it be the same as we had in connection with the $60,000,000 loan?

Mr. MANION: The government would take a lien on the equipment itself. The usual procedure is for the Canadian Pacific Railway or the Canadian National Railways to pay a certain proportion, frequently twenty-five per cent, of the cost of the equipment. Equipment trust notes are then sold on a fifteen year basis to cover the other seventy-five per cent, and the notes are paid off gradually over that period. Instead of following that method, it may be decided that the government will purchase the equipment and take back a lien which would be paid on the same basis as the equipment trust notes; instead of its being paid to the holders of the notes, it would be paid to the government.

Mr. EULER: In all probability the loan would not be repaid for a period of say fifteen years?

Mr. MANION: We have not gone into that detail, but I imagine it would be repaid on the same basis as the equipment trust notes. The railways would not like to be placed in a more difficult position with the government than they would with the holders of equipment trust notes. So far as equipment is concerned, this bill is largely enabling legislation. We are providing different methods by which we can accomplish this end and the details will have to be worked out with the railways. With the exception of the matter which we have just been discussing, which was suggested by the Canadian Pacific Railway, these matters were all suggested by the Canadian National Railways.

Mr. BURY: I understand the effect of this bill is to enable the Canadian National Railways and the Canadian Pacific Railway to issue securities for the purchase of rolling stock and equipment and that there is nothing in the bill to oblige either railway to take advantage of its provisions. I should like to be confirmed in the further understanding that the decision as to the proportion of the money which will be allocated to the purchase of new rolling stock and to repairs will rest entirely with the railway companies. I assume that this decision will be determined by the repair facilities which the railway has. The city of Edmonton is particularly interested in any repairs which may be done under this proposal, as the shops in that city are all repair shops. The Northern Alberta Railway is operated jointly by the Canadian Pacific Railway and the Canadian National Railways, and its shops are all repair shops. I imagine I am correct in assuming that any decision in this connection will rest entirely with the railways themselves. The railways will first decide whether or not they will take advantage of the provisions of this bill and then make the allocation of the moneys as between the purchase of new equipment and the carrying out of actual repairs.

Mr. MANION: I think the hon. member has a clear grasp of the matter. The railways will not be forced in any way to participate in this proposal, but I may say quite frankly that they are anxious to participate. I expect that there will be additional questions asked in connection with the shops, and if my hon. friend will permit I shall defer answering his question for the moment so that I will not be repeating myself unnecessarily.

Mr. WOODSWORTH: I have three or four questions I should like to ask. First, from whom came the request for legislation of this kind? Did it come from the Canadian Pacific Railway, from the Canadian National Railways, or from the contract shops? I think we should know definitely who made the request for this legislation.

Mr. MANION: The hon. member must have been out of the house when I answered the question, speaking from memory. Frankly, I was not too definite about it and I am not too definite now.

Mr. WOODSWORTH: That is one reason for my asking.

Mr. MANION: The whole proposal started so long ago that I am not sure who really put it forward, but I have an idea that it originated with the equipment companies themselves, that they did some pressing to get the work. They had had no work for practically five years—for over four years certainly—and they proposed it. They discussed it with the railways and the railways on a certain basis were agreeable, the original proposal being that the government of Canada should pay one-third and they the other two-thirds over a period of years, because they felt that on that basis it would be economical for them to get this equipment. Since then this proposal, as incorporated in the bill, has been offered as a substitute and it is claimed by those who have looked into the matter and calculated the actual amounts, capital and interest on the investment, that in the long run the proposal is very much the same as the proposal originally suggested. At any rate, both railway companies are anxious to have it go through at the present time.

Mr. HEAPS: Is there any need at present for this equipment?

Mr. MANION: Well, unless the railways felt that there was need for it they would not support the proposal. They are not forced to support it and they both want it. Both have deferred maintenance of equipment for some time. It is true that Mr. Hungerford was asked in the committee as to the need for this equipment, and he stated, as I recollect, that under present traffic conditions they had sufficient to carry on with but that during peaks they had to borrow to a considerable extent from other railways in the United States.

Mr. HEAPS: Has not that been customary?

Mr. MANION: Of course there has always been a certain amount of borrowing but not to the extent that there has been recently. He was in my office and discussed the matter with me and I have a statement dealing with another point which I shall give to the committee in a few moments. He took the attitude that from an economic point of view so far as the railways are concerned this proposal is advantageous to them. I said to him, "You did not make that perfectly clear to the committee," and he replied, "I shall have another statement to submit to the committee clearing up the point." He said that he had answered offhand. He is now of a different opinion. The committee meets to-morrow and he can be asked that question; he will deal with it. Both railways, however, are of the opinion that this is an advantageous proposal.

Mr. WOODSWORTH: I have been informed that it has been the practice of the railways on the North American continent to meet in conference from time to time and decide what amount of new equipment will be required and what proportion will be declared obsolete and scrapped. Is this proposal the result of any such conference?

Mr. MANION: I have not heard of that.

Mr. WOODSWORTH: I am informed that that is the practice, and if the proposal comes from the equipment companies I can understand it because, again, I am informed that at least in some of the American companies certain highly placed officials have financial interests in the large equipment companies and naturally desire as frequently as possible to secure new equipment. I think that we as Canadians and as a parliament ought to know very distinctly whether, as the minister says, pressure has come largely from the equipment companies. I take it that the proposal is primarily for new equipment rather than for repairs. What kind of new equipment is needed? Is it high powered engines and steel cars; what precisely is the type of equipment contemplated?

Mr. MANION: I do not believe there is anything whatever in the suggestion which my hon. friend has made on the strength of information which someone has given him. I did say that the equipment companies proposed it originally and quite legitimately. After all, they had been doing a large business with the railways of the country and their business had gone to pieces; for four years or more they had done practically nothing. It seems legitimate therefore for them to look for business. The American equipment companies have nothing whatever to do with it, and I do not believe there is anything in the suggestion that in some way the equipment companies got the railways to go into a deal which was not advantageous to the railways themselves.

Mr. WOODSWORTH: I did not say that.

Mr. MANION: I do not say that my hon. friend made that charge, but from what he has said one might infer that those who gave him the information rather implied it.

Mr. WOODSWORTH: What I said was that the central association practically decides what proportion of stock will be required and what proportion will be declared obsolete.

Mr. MANION: I do not think there is anything in that; I do not think there is an atom of truth in it. I do not think that anyone but the railways themselves decides what shall be declared obsolete.

Mr. HEAPS: It appeared in an American newspaper.

Mr. MANION: I read in American newspapers a good many things which I should not like to believe, and I am not sure that I have not read in Canadian newspapers things I should not believe.

Mr. WOODSWORTH: My question was whether there had been a meeting of the association of railways on this continent and at that meeting it was decided what should be done in a general way with respect to new equipment.

Mr. MANION: I have never heard of any such meeting.

Mr. WOODSWORTH: What kind of equipment is proposed?

Mr. MANION: The information I have is, I believe, correct, generally speaking; there may be some slight variations. The Canadian National will order refrigerator cars, gondola cars, snow ploughs, automobile cars and sand cars, as well as some diesel engines and passenger locomotives. The Canadian Pacific Railway will order box cars, refrigerator cars, mail express cars, coaches, coal cars and heavy locomotives and passenger locomotives. That is the list that has been given.

Mr. HEAPS: Could not that same equipment be manufactured in the railway shops?

Mr. MANION: I will deal with that later.

Mr. WOODSWORTH: What kind of locomotives is it proposed to secure?

Mr. MANION: The Canadian Pacific Railway is ordering heavy locomotives and passenger locomotives—technical details I am unable to give—and the Canadian National, diesels and passenger locomotives.

Mr. WOODSWORTH: Has the minister considered the effect of such improvement upon the general labour situation? We have been told here that there are a large number of railway men unemployed, and with better equipment of that kind less labour is likely to be employed. I was told when I was in Winnipeg the other day that the possible effect might be to cut out the intermediate divisional point and have the trains driven straight through, say from Winnipeg to Calgary or Edmonton; the locomotive would not have to be changed. If that is the sort of equipment that is being proposed then it is a matter for serious consideration whether the present traffic necessities of the country demand motive power of that type, especially as it may have the effect of laying off a very large number of train crews who with the present type of equipment to-day are necessary. I should be very glad if the minister, who has become more or less an expert in railway matters, would inform the house with regard to this aspect of the case.

Mr. MANION: Of course I do not believe there is any truth in the suggestion made to my hon. friend and also made to me that this equipment will interfere at all with the present employment in the shops of the railways. That is the statement that is made; it has been stated to me that if the railways buy this equipment, because of having a little better equipment they will be able to give more efficient service and this will mean less work in the shops.

Mr. WOODSWORTH: Less in the shops and less in the running trades.

Mr. MANION: I do not believe there is anything to that, though far be it from me to think I am in any way an expert in the matter. But that has been put up to the railway companies and they say to me that it is not correct.

As regards the work in the railway shops, it was the intention of the administration, as I mentioned in the house before, to ask the railways to give as much of this to the railway shops as they economically could. I find in the statement the railways have given me that they count on giving nearly $4,000,000 worth. I did use the figure $3,000,000. By the figures they have given me, the Canadian Pacific and Canadian National shops will get nearly $4,000,000 worth of extra work in connection with this $15,000,000.

Mr. EULER: Is it only repairs?

Mr. MANION: There are some refrigerator cars that the Canadian National are counting on making in their own shops.

Mr. WOODSWORTH: Why should not all the equipment be made in the railway shops?

Mr. MANION: If my hon. friend will permit me, I will give the information. The reason they do not make it all in the railway

shops is that they are not capable of doing so, despite all the propaganda which has been sent out from practically every railway shop in the dominion. I am making that statement not on my own authority but on that of Mr. Hungerford and Mr. Coleman. I put that question up to them because from all over the country I have been receiving from every shop the statement that is implied in the hon. gentleman's remark that the shops of Canada should be and are able to manufacture these different types of equipment without, as they suggest, practically any increase in capital expenditure, and that therefore this should be left entirely to them. I put that up to both Mr. Coleman and Mr. Hungerford, and I have before me messages which I should like to read to the committee as coming from both those gentlemen, who are the best authorities I know of on the railway situation. The one from Mr. Hungerford I received just a few days ago, because I wanted to reply to these railwaymen. I said: I do not intend to attempt to answer them myself, but I think you men should put in writing your opinions. As a matter of fact I did not speak to Mr. Hungerford at all; I had my deputy draw the matter to his attention. Mr. Hungerford's reply is in the form of a telegram addressed to me from Montreal under date of May 23, as follows:

> Replying to your inquiry as to how the railways would be affected if the various car and locomotive building establishment were compelled to go out of business. It has never been the policy of this company to construct in its own shops any substantial amount of new equipment. While some of our shops are equipped and are suitable for the construction of a certain few classes of equipment, they are not suitable or equipped for the construction of the general run of new modern equipment. If car and locomotive building companies in Canada ceased to operate it would be necessary to remodel and further equip certain railway shop plants which would involve substantial capital expenditure and be a duplication of existing manufacturing facilities.
>
> S. J. Hungerford.

The reply from Mr. Coleman is in the form of a letter addressed to me from Montreal, also under date of May 23, as follows:

> The shops of the Canadian Pacific, with the partial exception of one shop, were not primarily designed, or equipped, for the work of building new equipment. To adapt them properly for the construction of a considerable amount of such equipment, at a reasonable cost, would involve capital expenditures for new machinery and other facilities, which the railway company does not desire to undertake.
>
> The policy of the railway companies in this country has been to operate their shops on repair and conversion work and to refrain from entering into general competition with Canadian manufacturing companies so long as they can obtain material and equipment from such companies at fair prices. No departure from that policy should be undertaken without grave consideration because of the disturbance to industry which would be involved.
>
> We would view with concern the permanent closing down of equipment building plants in Canada, as in their absence, with return to normal traffic conditions, the demand for additional equipment would place the railways to some extent at the mercy of foreign manufacture.
>
> Yours sincerely,
>
> D. C. Coleman,
>
> Vice-President.

That is the opinion of the two railway companies. I might deal with this a little more fully; it will probably answer the questions as I go along, because I have had the same arguments put up to me by every railway shop in Canada. I suppose we are all sympathetic to the railway shop men, but we must not forget that the railway shop men of both companies have been kept at work at any rate to a certain extent throughout the depression, largely by the assistance of the government. Undoubtedly that is true of the Canadian Pacific, because on two occasions we lent them money to keep their shops open for certain periods of the year.

Mr. EULER: The government gave them money.

Mr. MANION: So far as the Canadian National are concerned, they have kept their shops open a little longer than the Canadian Pacific shops have been open, and we all know that the dominion government, for the people of Canada, have been paying the deficits of those shops. The fact remains that these equipment companies, owned to a large extent by Canadian stockholders, are taxpayers and have thereby been assisting in keeping the shops open. I submit with all due respect to the statements made by the railway shop employees that the owners of these equipment companies as citizens of Canada and as taxpayers have rights also to consideration. I may put on record at this point that the two loans to the Canadian Pacific for keeping their shops open amounted to almost $2,500,000. One of the loans was in 1931 and the other in 1933. It is pointed out by Mr. Coleman in this letter—and he pointed it out verbally to me very emphatically—that if these equipment companies were forced into bankruptcy, as was suggested quite frankly by a deputation of shop men who waited on the hon. member for Argenteuil (Sir George Perley) and me, these companies would then, as he states briefly in his letter, in case of urgency of need of equipment, be placed at the mercy of foreign, that is United States, equipment companies. Their

attitude is that they at any rate encouraged these equipment companies to come here to supply both railways with their equipment needs, and they take the attitude that in justice to these companies, if this equipment is to be manufactured, they are the ones that should manufacture it. They both emphasize very emphatically, although they do it briefly in the letter and telegram, that they have not the facilities in their plants for equipment manufacturing such as is proposed. They say that they could do a certain amount of building. For example, I am told that the Canadian Pacific have built the odd engine in their plants, I think at Montreal in particular. They may have built some cars, but I do not know—not very many at any rate. The Canadian National have also built the odd engine and some refrigerator cars. In this program they are again going to build refrigerator cars, some of them I believe, although I am subject to correction, in the Winnipeg plants—and when I say Winnipeg, I mean plants in the neighbourhood of that city—and some in London. Apart from these, the rest is repairs amounting in all to nearly $4,000,000.

It is to be remembered as well that if for example the government on behalf of the Canadian National are to go into manufacturing equipment for the railways, we are starting a new branch of government industry on a somewhat large scale. This would require, it is claimed, quite a heavy capital expenditure in machinery and the like to produce anything like the program proposed. It is also pointed out that if the Canadian National and the Canadian Pacific are to go into the manufacture of equipment of this kind, it will be only a matter of time until the demand will arise for the construction by the railways of wheels, rails and all the other equipment, of that type they may require. Frankly I do not believe it is the duty of this government or of any government in Canada to push the Canadian National Railways into further activities than those they are now engaged in. If we give to the shop men nearly $4,000,000 of extra work, as we are proposing to do through the railways, it seems to me that $4,000,000 out of $15,000,000 is not unfair treatment. Whatever comes in the long run it is not well for the time being, say for the next year, to give more work to the employees of the shops of both companies. I am informed by the managers of both railways that it will mean some extra time per week to the employees. I think that is a fair statement of the case. I do not think it is quite fair that the shop employees should take the attitude which was taken by this deputation, that we should let these equipment companies go into bankruptcy. Both railway systems oppose that; they think it would be bad policy to permit any such thing to happen, and there is the question of justice towards other taxpayers besides the railway employees and the railway taxpayers in the country. I shall be very glad to give further statements in this regard as far as I can, but that in a general way is my submission of the case.

Mr. CANTLEY: Far be it from me to appear to contradict the minister concerning the statement he made to the effect that the original proposal in regard to new equipment came from the private shops, but that statement I am sure is not quite correct. More than eighteen months ago I saw a memorandum prepared by officers of the Canadian National Railways calling for some 3,300 cars, among them 500 refrigerator cars, some general service cars, and two other types. So far as refrigerator service is concerned no type of railway traffic has increased as much in the last twenty years as has the refrigerator service. This increase is due to two factors, the increased movement of produce from the West Indies and from the Pacific coast, and the fresh fish trade both from the Atlantic and from the Pacific which has developed greatly during the last fifteen or twenty years. Much of the original refrigerator equipment is totally out of date; it is not fit for refrigerator work and is now used largely for the conveyance of potatoes and other agricultural products that have to be protected from the frost in the winter months.

There is no railway shop equipment to-day that can begin to compete with two or three of the private car-building plants in Canada. I say that with great deliberation, for I know the essential facts. Some twenty-two years ago we built the Eastern Car Company's plant in New Glasgow. The first order we executed was for 2,000 cars for the Grand Trunk Railway. Then came the war, and we undertook to supply 2,000 cars of the largest capacity ever produced in America, for the Russian government. These we undertook to deliver on the tracks at Vladivostok. We fulfilled that contract, and within the specified date. Soon afterwards we undertook to supply 4,000 cars to the French government, and we put those cars over when great numbers of boats were being torpedoed, but we fulfilled our contract and so contributed very materially to the success of the allies in the war. When I say that no existing railway shops in Canada can compete with some of the shops I refer to, I know exactly what I am talking about. The Eastern Car Company have a plant at New Glasgow that cost $2,500,000. There is

no similar car building equipment in Canada that will compare with it for turning out railway cars economically. That statement cannot be successfully contradicted. It may be in the interest of the railways to do a little repair work in their own shops from time to time to keep their organizations intact, but generally speaking the railway men of this country have been very well treated during the past four or five years. There are other people in the country as deserving of being supplied with work as they are. That is all I have to say about the matter for the present.

Miss MACPHAIL: For a few minutes I wish to discuss some railway equipment and service that is required by agriculturists, particularly the stockmen. For a long time I think we have known but did not like to admit that the railways were losing traffic to the trucks. That has been increasingly true in the last few years. There are I think three reasons why the trucks are taking more live stock traffic from the railways each year. One is that the truck picks up the stock at the farm. Particularly if people live a long way from the station this service is appreciated. It is expensive for the farmers, yet that has not prevented them from using trucks, because this service means much to them, particularly now when it is hardly safe—in fact I think it is not now legal in Ontario—to drive live stock on the highways. It is very difficult for farmers who are at a distance from a station to get their live stock to the station except by truck. From my district, which is between ninety and one hundred and ten miles from Toronto, practically all the stock is trucked into Toronto, and one can see the duplication there must be of trucks going over the same highway on the same day. Another reason for the great loss of traffic by the railways is that they have, rather stubbornly I think, refused to partition the stock cars, and it has been left to the shipper or loader to do it at his own cost, while the trucks have been willing, to put in partitions, if necessary, at no extra cost to the shipper. A third reason why the trucks are gaining and the railways losing in the business of handling live stock is the cost of stops to complete the filling of a car which has been partly filled, while the trucks will make stop after stop without any additional cost at all.

In view of this situation the railways should do a bit of heart-searching. I have here a letter from the United Farmers Cooperative Company, Limited, which I wish to put on Hansard. It reviews this situation, blames the railway companies rather severely, and expresses the view that before we vote money for additional equipment for the two railway companies there ought to be some reckoning from the point of view of shippers of live stock.

This letter is addressed to me under date of May 14:

We are giving you a report on the question of live stock handling by the railway companies for the last ten years, in which the United Farmers' Cooperative Company, Limited endeavoured to persuade the railway companies to instal permanent adjustable partitions in live stock cars, so that different types of live stock would be partitioned off, which up to the present time has been done by live stock shippers, drovers or owners as the case may be.

We had the cooperation of the Eastern Canada Live Stock Union, the Western Canada Live Stock Union, the commission houses on the different markets in Canada, together with members of each live stock exchange in Canada, also stockyard companies and abattoir companies.

Eventually the different concerns above mentioned formed what is known as the efficient handling of live stock committee, of which we are members.

We have held meetings regularly each year, and have been before the board of railway commissioners at Ottawa, before a number of freight traffic commissioners and officials of both of the railway companies of various kinds.

Our committee got a number of models from different people interested in the question and exhibited these models before the board of railway commissioners and other railway officials; they were built and installed in one car of the Canadian National and one in the Canadian Pacific were sent out to various parts of the dominion for demonstration purposes and proved to be just what was wanted.

When it came to the point where the committee expected some action we were surprised to learn that the railway companies came back with the decision that they were not financially able to install the partitions in stock cars even after they were offered the patent right for Canada free of charge. These gates were hung on a steel track in the roof of the car and when not in use could be moved to the ends of the car and only occupied four inches at each end.

Then they go on to discuss the next point.

The railway companies did build a few portable gates which had to be carried in and out of the car and which required two men to handle and was at best only a makeshift, but they wanted to charge the stock men $1.50 for the use of two gates per trip,—

They certainly wanted all they were worth.

—and still persist in charging $3 for a stop off for completion—

And they give an example.

—such as loading part car at Chatsworth—

That happens to be in my constituency.

—and completing at Holland Centre, while truckers collect their load from various farmers with only the regular rate for the lot.

We come now to the point that we want to feature, namely that the railway company officials have treated the whole question with indifference due to lack of executive ability with the result that they have slowly but nevertheless surely lost enormous business to the truckers, so that the following figures will give you an idea how much the railways have lost in the movement of live stock to the Toronto market, to say nothing of the movement of stocker and feeder cattle going back to the country by truck.

For a period of nineteen weeks—

And these were winter weeks.

—from the week ending January 5 to the week ending May 11, 1935, we find that there was the following volume of live stock come to the Toronto yards:

Total Receipts by Rail and Truck	
Cattle	107,999
Calves	37,271
Hogs	63,847
Sheep	56,720
Total Receipts by Truck	
Cattle	56,105
Calves	27,393
Hogs	33,965
Sheep	9,378
Percentage by Truck	
Cattle	51·94
Calves	73·49
Hogs	53·19
Sheep	16·53

A very large percentage of the receipts of sheep were from Alberta by rail.

If the trucks come to Toronto with live stock they are hauling back to country stores, to merchants and to farmers great quantities of freight, which was previously hauled by the railway companies.

In the light of all these facts we feel that when the railway companies appeal to the dominion government for additional loans or grants the government and the people of Canada should know how badly the officials have handled their business and be forced to go back and show some effort on their part before any more money is entrusted to them.

Yours very truly,
The United Farmers Cooperative Company Limited
Live Stock Commission Department.

I came across an article in a United States publication which confirms an idea I have often held and which has proved feasible in that country. I refer to the Chicago Daily Drovers Journal of May 6, 1935. At least three railways in the United States have established a pick-up service for live stock. The railways own or hire trucks which they send to the farms to pick up the live stock, which are transferred to the railway station. The first railroad to instal this service, I think, was the Illinois Central, which established it last December. As of the date I mentioned, however, two other railroads, the Chicago, Burlington and Quincy and the Chicago and Northwestern, were installing a similar service. Let me quote one or two brief sentences to show what the service is like:

[Miss Macphail.]

The rail carriers advise they are desirous of serving fully and completely their stock shippers and apparently from the success of the Illinois Central experiment the service in question is very much to the liking of the farmers and stock feeders.

This service provides that the railroads, through arrangements with truck operators at each of the stations, will pick up at the farm live stock offered for shipment to Chicago. The stock will then be transported by the carrier to the Chicago stock yards at the regular carload rate.

The truck operators are paid by the rail carriers for performing this service from farm to the railroad loading pens.

If the stock owner prefers to truck his own stock to the loading station, the railroad agent at the loading station will pay the farmer in cash, three cents per hundred pounds for furnishing the transportation to the loading pens.

And further from the same article:

The shippers using the new service contend that there is considerable saving made by using the rail service compared to truck service. They point out the saving in insurance, yardage, commission charges, etc., as well as the better prices due to the stock arriving in better condition as compared with their previous experience with trucking.

J. M. Madden, one of the enthusiastic users of the new service voiced the opinion that this new arrangement will not only reestablish numerous shipping associations but also benefit materially the small town merchants and banks by again concentrating the movement through the rail shipping stations.

In the edition of the same journal dated May 8, 1935, I find favourable comments on the new service, which I need not quote with the exception of one sentence:

The farm pick-up service for live stock being inaugurated by railroads has a strong champion in Harvey Brucker of Lee county, Illinois, who was on Tuesday's market with eighteen head of stock.

Then the article goes on to give this gentleman's experience. I do feel that the railroads are losing their business, and there is no use getting new equipment if there is no freight or passengers to be carried by that equipment. I should like, therefore, to ask the Minister of Railways if they are contemplating the installation of these two services, first the partitioning of railway cars for the carrying of live stock, as has been requested from coast to coast, and second the pick-up service by which the trucks will go to the farms and act as the servants of the railways.

Mr. MANION: I have listened with a great deal of interest to the hon. member's statement of the case. Both matters were drawn to the attention of the railways some time ago. In regard to the partitioning of the cars the Minister of Agriculture (Mr. Weir), perhaps prompted as my hon. friend has been—I do not know as to that—wrote me some weeks ago suggesting that I take it up with the railways. I did take it up with both Mr. Beatty and Mr. Fullerton on behalf of the two railways. My recollection of their answer is that they did not feel that they could afford the extra expense at that time, but they were giving the matter consideration.

In regard to the trucking, I think it is obvious to the most superficial observer that the trucks have been cutting very heavily into the business of the railways, and some two or three years ago we had a very full discussion of that matter in the railways committee. At that time the officers in charge of both railways went into the matter very thoroughly, and stated that while undoubtedly a great deal of traffic was being taken away by trucks and passenger buses, they were endeavouring in various ways to get back some of that business. For example, the one cent a mile tours, which they have been putting on and which have been very advantageous to the railways from a financial standpoint, were intended to help the railways compete with the motor buses. Both railways, in the section of Canada west of Toronto and between Toronto and the United States border, towards Detroit and Port Huron, instituted a pick-up service similar to that suggested by my hon. friend; they had trucks working in association with the railways, picking up at one end and deliverting at the other in competition with the motor trucks.

Miss MACPHAIL: For live stock?

Mr. MANION: No, I just mean a general service. I am speaking generally, and do not know if they used it at all in connection with live stock. Some two years ago, without any technical knowledge of the matter, I made some investigations. Although the hon. member has not mentioned the point, I had understood that the Pennsylvania railroad had carried on this work more than any other railway on the continent. I think for about ten years the Pennsylvania railway had been awake to the situation, and I must say frankly that I do not believe either of our railways on this side of the line were awake to it. This particular American railway had carried on a very elaborate service to compete with the motor trucks carrying freight. They instituted a system whereby the bodies on the automobiles could be lifted off, without first being unloaded, such bodies being built so that they could be replaced on flat cars, lifted off at the completion of the rail journey and placed back on the automobiles for delivery to Philadelphia, New York or other points. This practice met with admirable results and I believe efforts of the Pennsylvania railway in that regard have been eminently successful. Other railways may have adopted similar methods, but I have a clear recollection of having read about their attempt to cope with the trucking competition.

Both our railways, however, are giving every attention to the points raised by the hon. member, and are endeavouring to work out some system whereby they may regain some of the traffic which in recent years they have lost because of the use of motor trucks. It is obvious that some of the loss can never be regained, but I am of the opinion that over a period of time much will be regained. It is stated by many railway authorities that the development of motor traffic and the manufacturing of automobiles in Canada and the United States has probably given more back to the railways than it has taken from them. That statement has been made on many occasions, although I do not know whether or not by actual statistics it could be proven. However I hasten to assure the hon. member that the railways are looking into the matters she has mentioned, and I shall be pleased to draw her remarks to their attention.

Miss MACPHAIL: I would point out to the Minister of Railways and Canals that the railways cannot now argue that they cannot afford the measures I have suggested, since it would appear that they are going to spend large sums of money in the purchase of new equipment. The partitioning of stock cars now existing is more important than the building of new cars which at the moment do not appear to be greatly needed. Would the minister say that the railways still contend they cannot afford the changes I have mentioned?

Mr. MANION: I cannot argue the point, but obviously the railways have chosen that line of equipment which they think is best suited for their purposes. I will state quite emphatically that the railways have indicated the program which is to be carried out.

The hon. member for East Edmonton (Mr. Bury) asked a question that I overlooked. He inquired whether the division of the program

and the decision as to whether some of the equipment was to be built in their own shops and some in the equipment shops was entirely in the hands of the railways. The program from which I read a few moments ago, and in which the type of car was indicated, was made up by the railways themselves without any prompting from me, and the manner in which the work is to be divided, whether for repairs or for new equipment, has been the work of the railways. I have not urged them, except that I did suggest they should give as much as possible to their own shops. I did wish in all sincerity so far as possible to assist the men in the railway shops to a reasonable degree. But in the final analysis the whole program has been worked out by the railways, and the allotments, whether east or west, whether in repair shops or equipment shops, have been made by the railway companies themselves.

Mr. GEARY: I should like to ask the hon. member for Southeast Grey (Miss Macphail) one or two questions. I have listened with interest to her observations, and should like to know if she will inform me first as to whether or not shipment by truck is satisfactory to those using that service, and whether it is more satisfactory than shipment by rail. Is there any difference in cost in favour of the truck? Then, is there any advantage other than that of cost which enures to the truck shipment?

Miss MACPHAIL: I know only what I have observed. I think the farmer likes to ship by truck, if he can afford it, but at the same time he realizes that as a taxpayer he has to keep up the railways, whether he uses them or not. One of the evils which has crept in through the use of the truck is that of delivering live stock direct to the door of the packing plant, a process which is delivering the farmer into the hands of the packer. That condition was not so aggravated when stock was shipped by rail because the buyer had to go from the packing house to the stockyards to purchase stock.

Mr. SANDERSON: On April 15, when this bill was before the committee, I asked the Minister of Railways for some information and I am wondering if at this time he has it for me. He did not have it on that occasion, and I am not blaming him. Perhaps he has not yet received it, but I believe I should ask him. I inquired as to how many railway shops and how many privately owned car shops and locomotive shops there were in Canada.

Mr. MANION: I believe I have the information, and if the hon. member will proceed with his observations I shall try to find it.

Mr. SANDERSON: On that occasion while the minister was not definite—

Mr. MANION: I believe I have the information. I am informed that there are Canadian Pacific Railway main repair shops at Montreal, West Toronto, Winnipeg, Calgary and Vancouver. The Canadian National Railways have the same type of shops at Moncton, St. Malo, Leaside, Montreal, Fort Rouge, Toronto, London, Stratford, Winnipeg, Edmonton and Port Mann. That is the list I have been given. Then, speaking from memory, the equipment shops would be the Eastern Car Company in the constituency of the hon. member for Pictou (Mr. Cantley), the Canadian Car and Foundry Company, Limited, of Montreal, the National Steel Car Company of Hamilton, the Montreal Locomotive Works, Limited, of Montreal and the Canadian Locomotive Works of Kingston.

Mr. SANDERSON: On April 15 the minister gave as the amount to be allocated to repairs the tentative figure of $1,500,000, or perhaps $2,000,000. I think he said the amount might reach $3,000,000. To-night he makes it $4,000,000, and I am pleased to note that it has reached that amount. As I understand it this is a relief measure, and the government is coming to the assistance of the two railway companies by guaranteeing the amount of $15,000,000 for new equipment and necessary repairs. Although I am in sympathy with the expenditure, I believe owing to the fact it is a relief measure there should be a more equal distribution of the money and work than has been indicated to-night. Out of the $15,000,000, $8,000,000 of which will go to the Canadian National Railways and 7,000,000 to the Canadian Pacific Railway, about $4,000,000 will be spent for repairs in railway shops. Is that correct?

Mr. MANION: Yes.

Mr. SANDERSON: I say that is not an equal distribution. I fully understand that locomotive and car shops are looking for work because for the past four or five years they have been more or less idle. The hon. member for Pictou (Mr. Cantley) stated to-night that railway employees in this country had been better looked after and had fared somewhat better than any other class of employees. I take issue with him; I do not think he is correct.

Mr. CANTLEY: That is your privilege.

Mr. SANDERSON: I do not want to get into an argument with him. My point is that more than $4,000,000 should be expended on repair work to be carried on in the railroad shops. The minister read a statement which he had received from the railroads giving the class of work and the new equipment which would be required. The new equipment included locomotives and cars of different types, and I want to say that in the past these railroad shops have built locomotives and cars. I do not pretend to say that locomotives and cars manufactured in these shops will not cost more than those manufactured by the private companies, but it must be remembered that this is a relief measure. The government is asking the people of this country to guarantee $15,000,000 for this purpose, and I have grave doubts of its being paid back. It certainly will not be paid back unless there is considerable improvement in the near future. In a relief measure such as this there should be a larger amount than $4,000,000 allotted to the shops. I ask the minister to take the matter into his earnest and serious consideration. I believe he wants to be fair in this matter and I put it to him again if he does not think that $4,000,000 represents an unequal distribution of the $15,000,000 which the committee is being asked to vote.

Mr. MANION: The hon. member has mentioned that back about April 15 I started with about $1,000,000 for repairs. He may be right but I do not remember ever being below $2,500,000 or $3,000,000.

Mr. SANDERSON: It is in Hansard.

Mr. MANION: The division of this money was left entirely in the hands of the railway companies. Like my hon. friend and other hon. members who come from constituencies in which railroad shops are located, I am anxious to help the men who work in these shops. I come from a fairly large railroad town, but I may say that the railways take the attitude that all that can be economically given to the shops is the allotment which I have mentioned. This allotment is not quite $4,000,000.

There is a certain amount of truth in the statement that this is a relief measure, but that is not entirely so. When this question first came up I stated that this was not only for relief; one of the paramount reasons for this legislation and one in which I believed very strongly was to help the heavy or capital industries to get going again. As my hon. friend knows, consumption goods are utilized even during a depression but the need for capital goods disappears and the plants which manufacture such goods as equipment for railroads go out of business more frequently during a period of depression than do the manufacturers of consumption goods. I do not mind saying that I have been a very strong supporter of this measure because I thought that we should do everything to assist these heavy industries to get going. While it is true this is a relief measure, it is also a measure to help the heavy industries up the grade. I might mention to my hon. friend that the population of Montreal is over 1,000,000, that of Hamilton is approximately 150,000. Kingston has quite a good population and there is also a considerable population in the town in Nova Scotia from which my hon. friend (Mr. Cantley) comes, along with the surrounding towns. Over a million and a half people located in thickly populated centres will be indirectly affected by these equipment orders, and in addition there are the railroad shops from coast to coast. It is true that there is not an equal division as between equipment and repairs, $4,000,000 against $11,000,000, but I think the railroads themselves must be the judges of what is best. I have not urged them in any way as to the division and they have taken the attitude that this division would be about right. I do not think I need elaborate further on the remarks of my hon. friend.

Mr. MITCHELL: I should like to give the point of view of the people in my own locality but not in my own constituency. I do not think there is any doubt that the railroads need new equipment, and I hope we are not going to take as long to deal with this matter as we did to deal with the Toronto tunnel. That tunnel could have been dug in the time it took us to decide whether or not it should be dug. Much of this work should have been started six weeks ago so that the people employed in the equipment shops could have been put back to work. This matter must be dealt with in a practical way; we must realize that the equipment shops are part and parcel of our transportation system. In the neighbourhood in which I live are many workmen usually employed in the car shops who have not been working for four years. In my judgment these men have some rights. Something has been said as to the division of $4,000,000 and $15,000,000, but it must be remembered that as far as repair work is concerned, the whole expenditure goes to labour. I am not a railroad expert, being a mechanic by trade, but I do not believe more than seventy-five per cent of the money expended

for equipment will go to labour; therefore the division would seem to be fair. It must be remembered that an additional percentage of the amount expended for equipment will be paid to the people engaged in the fabrication of the parts necessary to build locomotives and cars. We are dealing with a practical problem and some recognition must be given to the men and women employed in these shops which have been shut down for the last four years. I think justice should be given to the men employed in the running trades with whom I have been associated all my life. The fair wages policy as enunciated by the government in connection with the building program should be a part and parcel of this car building program. I thought it only right that I should point out the actual division of labour to the hon. member for South Perth (Mr. Sanderson) and also try to obtain justice for the men who have been out of work for the past four years.

Mr. MULLINS: I congratulate the hon. member for Southeast Grey (Miss Macphail) on the contribution she has made to the live stock industry. The railways are responsible for the state the industry is in to-day. The trucks came into use as a result of railway rates on live stock. The rates are to-day twenty per cent higher all over western Canada from local points and for through shipments. Only yesterday, coming down on the train from Toronto, I drew to the attention of the representative of the Globe, Mr. Anderson, and of my hon. friend from Parkdale (Mr. Spence) the number of live stock cars standing idle on the sidings, owing largely to the fact that trucks were operating. The trucks have ruined the cattle industry because they have put the old cattle dealer out of business; he is not in evidence. The live stock industry has been ruined on that account. As regards the stop-over charges, the hon. member for Southeast Grey is absolutely right. I took this question up with one of the railway officials in Montreal, pointing out the injury that the stop-over charge had done. I said that a man might have a half car at one station and desire to fill it up at another, for which they charged $3. Their charge is excessive on live stock. And then they have the—

An hon. MEMBER: Audacity.

Mr. MULLINS: Well, I was going to use a strong word but I will hold it back; I will not use the western term I might use to describe what they have done to the live stock industry. They are to blame for the present situation and no one else. They have killed the industry, and that is why the cars are empty. One freight traffic manager told me that they lost money on live stock. I asked him in what way and he said it was because they had to haul empty cars back. I can remember that in the old days every other siding between here and Winnipeg had a stock train on it. I can remember when hundreds of thousands of dollars went back into that western country. But you go west to-day and look at the sidings and you will see nothing but empty stock cars. It is about time the railways recognized the benefits of the live stock industry to traffic and assisted that industry by doing something in regard to the stop-over charge and also by providing proper accommodation. Let the railways put the rates back where they were. I had the honour of shipping cattle on the first train that left Winnipeg, but to-day the rates are twenty per cent higher than they were at that time. They say that labour is to blame; I say it is not. You have a crew of five on the train and they are drawing seventy cars. Locomotives are pulling as high as seventy cars of live stock out of Winnipeg with a crew of only five, and though it is true that slightly more is paid in wages we must consider the tonnage that is hauled. We cannot therefore place the responsibility on labour; that excuse will not hold. The fault is with the shortsighted policy of those who sit in the offices in Montreal. They are the ones that dictate the policy which has put the cattle men out of business—I mean the legitimate cattle men and not those gentlemen who become cattle men over night. These men who buy a truck and go into the cattle business are pretty well known in the neighbourhood, and they get hold of the farmer's cattle and undertake to sell them though they do not know the first thing about the business. They are marks for the men in the stock yards who buy for the packers. It makes me wonder when I stand and look at the trucks going to the western cattle markets. I was told that 3,600 cars of cattle were moved to the Toronto stock yards by truck. This I admit is the line of least resistance, because it is easier for the farmer to load his cattle on the truck than to drive them to the station, there being so many motor cars on the highway. It is difficult to drive a herd of cattle, but I notice now that they have done away with that menace. Those legislators in Winnipeg, the solons who make the laws there, are permitting the cattle to run on the highways, endangering the lives of people, so that there is not so much danger now in driving a

herd of cattle when cattle are allowed to run free on the highways in Manitoba. Motorists are more careful.

As to partitions, I quite agree with the hon. member for Southeast Grey. I think they should provide partitions so that they might take mixed shipments. I speak from experience of many years and I think I should know something of what I am talking about. I am out of the business now so that I have no axe to grind, and I make this statement only in the interests of the legitimate live stock dealers, the few who are left in the country. I say that the only method which will make for success in the cattle industry is the old method; let us have the old time cattle dealer and the old time fairs at country points. In the town of Birtle, Manitoba, they held a fair on one occasion, and they had 338 head of cattle which were sold right in the town at good prices without having to be moved at all. That is the method that should be followed; let the cattle be sold on the farm or to the cattle dealer and brought into market, doing away with the so-called cattle men who have trucks running over the highways and ruining them without contributing to the success of the industry.

Mr. ELLIOTT: The minister will bear in mind some conversation and correspondence I had with him with regard to something along the line of what has been suggested about the difficulty in getting adequate accommodation from the railways. He will remember what I pointed out with regard to a valuable horse which was brought into this country from the south. It reached Carnia about two o'clock in the morning and was going to a station in the county of Middlesex. It had been expected to get into Sarnia not later than eight o'clock, and four trains passed, so that the horse left Sarnia quite late; and of course, coming from a much warmer climate, in our very cold weather he was chilled. Fortunately he did not succumb to his injuries but it was a very serious matter. The reason given was that the other freight trains that passed through were through trains and could not be stopped at the station to which this horse was being shipped. Will the minister tell me whether it is possible to meet the convenience of shippers in a matter of that kind by having the train stopped? What would be the cost of having a freight train stopped to let off the car that had this valuable shipment on it? Surely in a case of that kind there should be some more consideration than was given to this shipment. A veterinary was engaged practically all night trying to get the horse out of the chill that he suffered from being left all day in away below zero weather in that cold car.

Sir EUGENE FISET: Is he alive yet?

Mr. ELLIOTT: I am glad to say he is still alive.

Mr. MANION: The hon. member took the matter up with me, either in the house or by letter.

Mr. ELLIOTT: Both ways.

Mr. MANION: I took the matter up with the management who are in control of such affairs. I cannot remember the details, but I sent on to my hon. friend their explanation of the matter. As regards stopping a fast freight, I really know nothing about such a thing. It sounds quite easy of course, but I may point out to my hon. friend that I have had the same complaint from both sides of the house in regard to fast trains of one kind or another, usually passenger trains, which will not stop at certain stations. I have had many cases up with the management, I merely acting to a certain extent at any rate as a sort of clearing house, presenting to them the arguments put up by those who write me. In most cases the management take the attitude that if those trains stop at this or that station, they cannot make up the time they are expected to make; they are schedule trains and the management claim they cannot make this time if they stop. Recently I had one hon. gentleman on this side see me not once but half a dozen times in regard to a matter of this kind, and I finally tried to get him to go down to Montreal and argue the matter out there because I did not feel I was in any position to interfere with the management of the railways. However, a discussion of this sort is the type of discussion that both railway managements might well read with perhaps profit to themselves. Certainly they should be out to get all the traffic they can in these days, because they are not getting enough to write home about, even though conditions are improving to a certain extent. I shall gladly draw to their attention the whole discussion that has taken place here to-day.

Mr. MacINNIS: When the Minister of Public Works was dealing with that part of the bill which comes under his department, I think he assured the committee that in regard to all expenditures under the bill fair wages would prevail. Could the Minister of Railways give, in regard to this $15,000,000, the same undertaking as has been given by the Minister of Public Works?

Mr. MANION: As regards the work that will be done in the railway shops themselves, as my hon. friend well knows there are regular schedules of pay and no doubt they will be adhered to. As regards the contracts with the equipment companies, those contracts will be between the railway companies themselves and the equipment companies, and I shall gladly endeavour to have my hon. friend's suggestion carried out. I have no control over the matter, but I will try to see that it is carried out.

Mr. MacINNIS: That is just the point I wanted to get at. I quite agree with the hon. member for East Hamilton (Mr. Mitchell) that the men in the private shops have just as much right to a certain share of this appropriation as have the men in the railway shops. As the minister has now said, the work done in the railway shops will be under the conditions and wages prevailing in them, but when we come to the private contract shops the situation is altogether different; the men are not organized, and if there is sweated labour anywhere it is in those shops. I had a talk with a man working in one of those shops—I am not going to mention just where—and he said that so far as he was concerned he was not particularly anxious whether the work would come to that shop or not because the wages paid were so small the men could not live on them anyway; they might just as well be on relief. He said that the rate varied from sixteen to fifty cents an hour, but in the department in which he was working, only four employees in the whole department were receiving more than forty cents an hour; the great majority of them were receiving from sixteen to eighteen cents. He pointed out that others of them were on piece work and that the time for the piece work was set by some official taking a stop watchand timing the man while he was doing the work, then deducting so much for grinding tools and some other interference with the work. I am not particularly anxious that any of this money should go to keep companies working that have such wages and working conditions and I hope the house will see to it that if this appropriation passes, along with it will be passed terms that will ensure that conditions and wages in those shops will be such as now prevail in the railway shops.

Mr. MACDOUGALL: Will the hon. member give to the committee the name of the shop to which he refers? The remark he has made is astounding.

[Mr. MacInnis.]

Mr. MacINNIS: I will give it to the minister if he so wishes.

Mr. MACDOUGALL: Give it to the committee so that we may deal with it.

Mr. MacINNIS: The minister can deal with it just as well if he wants to do so.

Mr. MANION: I shall be glad to have it, because I have never heard of any such wages as those mentioned by the hon. member.

Sir EUGENE FISET: In so far as the $4,000,000 for repair work is concerned, the minister will admit that this measure is a relief measure.

Mr. MANION: Largely that is true.

Sir EUGENE FISET: I am sorry that when the minister read the list submitted by the officials of the Canadian National Railways of the different shops to which this kind of repair work was to be allotted, he omitted altogether the names of smaller railway shops that exist in small communities. I would like to mention for instance the terminal of Mont Joli and the terminal of Rivière du Loup. The two railway shops that exist there are not mentioned in the minister's list. I would like to call his attention to the fact that at Mont Joli, which has a population entirely of railways employees, nearly two-thirds of that population has been retrograded or temporarily suspended owing to lack of work; that the work being carried on in the shop there has practically speaking been nil and that the staff has been reduced from nearly 250 employees a few years ago to about twenty-five at the present time. The others are without employment, and the least that could be done as far as those small shops are concerned is that repair work within their own division should be given to them. I would appeal to the minister to try to induce the railway authorities to give a chance to that local population.

Mr. MANION: When I gave the names of the shops I merely mentioned the names of the main shops as given to me by my deputy who looked them up for me. That does not mean that the smaller shops may not receive some of the work. It is my desire, so far as I can influence both railway companies, to have them do exactly as my hon. friend suggests. These are what are called the main shops. There are also many little shops in other sections, as my hon. friend knows, to which I should like to see the railways endeavour to give some work, and so far as I can I shall try to have them do so.

Mr. HEAPS: First of all I wish to say a word in regard to wages in those contract shops. I have had communications just as the hon. member for Vancouver South (Mr. MacInnis) has, telling me of the very low wages that are being paid in certain of the contract shops in which it is proposed that some of this equipment should be manufactured. I am informed in these communications that the wages are about two-thirds and in some cases one-half of what they are in the railway shops. I feel that the answer given by the Minister of Railways is entirely inadequate to meet the situation. He cannot make the excuse that the contracts are going to be let by the railways to the contract shops and that therefore the government have no responsibility in the matter.

Mr. MANION: I did not say that.

Mr. HEAPS: It is public funds that are being expended, Where public funds are being expended we ought to insist on fair labour conditions being observed. Wherever the equipment happens to be made we ought to insist on fair wages being paid in those shops in exactly the same way as they are paid in the government railway shops. It is most unfair that shops in which wages are about one-half to two-thirds of those paid in organized shops should compete with shops where fair wages are being paid.

Assuming contracts are let, the committee have the right to know the basis on which they will be let. Is it to be by open tender? Are the government railways shops to be allowed to bid for this work? If the work is to be let by contract I think every railway shop that is equipped to manufacture such equipment should have an opportunity of tendering, including the government railway shops. In spite of letters submitted here from Mr. Hungerford and Mr. Coleman, I am prepared to accept the statement of mechanics working in those shops, men who have given a lifetime of service in the manufacture of railway equipment, when they tell me that such equipment can be produced in those shops. If contracts are to be let we ought to know whether they are going to be let at a fixed price or by tender, open tender, in which case the railway shops should be allowed to tender. I am informed by men employed in the railway shops that equipment can be produced there as cheaply as in the privately owned shops. It is correct to say that the contract shops have been closed now for quite a long time. That being so I assume very little harm would be done in many cases if they were allowed to remain closed and the work were given to the shops that are at least equipped and prepared to accept the work which this sum of money involves, and where decent wages are paid according to Canadian standards. I am informed that the number of men employed in these private contract shops at the present time amounts to only a few hundred for all the shops. I am told that a few are employed at Kingston for the manufacture of locomotives, but very few at some of the other places; and I doubt whether any hardship would be inflicted if the work were not given to these contract shops. The argument of the minister that we should not allow these shops to go into bankruptcy may sound very well. I do not want to see any concern forced into bankruptcy, but I have heard it argued in this house—I do not know that the minister has not used the argument himself—that it might have been a good thing if the national railway system had gone into bankruptcy before the government took it over.

Mr. MANION: I did not say the national railway system; I said it might have been a good thing if the Grand Trunk and Canadian Northern had.

Mr. HEAPS: Well, I did not put it quite as correctly as the minister has. The minister further objects to the government going into the making of equipment in competition with privately owned concerns. Coming from a gentleman so much in favour of public ownership, that argument sounds rather strange to me. In the first place we are using government money to pay for this equipment, but we are going to allow private contract shops to produce it and of course incidentally to take the profit. I think we ought to get a good deal more information from the minister in regard to this matter. I would like to know how many men are affected in the private contract shops; how many are working there at the present time; how these tenders will be let, whether by open and public advertisement, and whether the railway shops equipped to manufacture the same class of equipment will be allowed to tender. Finally I want to know whether the minister and the government will insist that wherever these contracts are let they will carry a fair wage provision.

Mr. MANION: As far as I can I shall answer the questions of my hon. friend, but I repeat that I am no railway expert, any more than he is.

Mr. HEAPS: I am not.

Mr. MANION: So I shall just answer to the best of my ability. He said he under-

stood that these contracts would affect only a few men in the equipment manufacturing shops. I am informed that they will affect quite a few thousand.

Mr. HEAPS: Does the minister say there are a few thousand men working there at the present time?

Mr. MANION: Certainly not; there are practically none, because these shops have been closed for some years. I say these contracts will affect thousands of men who would go to work. That is the argument, that these men and these equipment shops have not had any work at all for four years, perhaps five in most cases. The hon. member also said that I was a friend of public ownership. I have never particularly argued that I am a friend of public ownership. I am a friend of the Canadian National Railways, and as we have public ownership of that railway and of the Hydro Electric Power Commission of Ontario I am friendly to what we have. But I do not know that I have stated, and I do not think my hon. friend could find my words saying anything about my attitude on the question of public ownership. I am a friend of the Canadian National Railways, and have been endeavouring to show that I am in spite of a good deal of talk to the contrary throughout the country.

My hon. friend also said that I said we had no responsibility in regard to the fair wage clause or wages paid in equipment shops. I made no such statement. My hon. friend is usually fairer than that. In reply to the hon. member for Vancouver South (Mr. MacInnis) I stated that I would endeavour to see that fair wages were paid in these equipment shops. It is rather a strange thing—I am wondering how much is just complaint and how much is argument—that in all the time that these equipment orders have been discussed in the press I have yet to receive from any employee of equipment shops a statement by letter or by word of mouth that he has not been fairly treated. Until to-night I never heard that there was anything unfair about the treatment of men in any of the equipment shops. As far as fair wages are concerned I repeat that my hon. friend although a labour representative has no greater desire for fair treatment of the working people than I have, or I think most other members of the house. I shall certainly endeavour to see that the men are paid fair wages. I shall look at the figures given by the hon. member for Vancouver South and I shall be glad to receive from him the name of the shop to which he refers, because I can hardly believe that such wages are paid except possibly to some apprentice or something of the kind. If he will give me the name of the shop I shall gladly draw it to the attention of the railway companies and indicate that the government desires them to see that fair wages are paid for this work.

In regard to permitting government shops to tender on the building of this equipment, by all means that will not be done as far as I am concerned. I do not think it is any part of the business of the Canadian National Railway repair shops—because that is what they are—to tender on such work against any private company; not because one is a private company and the other a government company, but because that is not the business of the repair shops of the Canadian National Railways. I have no control over it, but suppose the Canadian National repair shops, say in the centre from which my hon. friend from Winnipeg comes, did tender on a job of this sort and then fell down. Suppose their tender was a million dollars and the work cost a million and a half; my hon. friend and I would have to chip in to pay the deficit, not the railway shop men.

Mr. HEAPS: What happens when the private manufacturer falls down.

Mr. MANION: He goes into bankruptcy, and, perhaps unfortunately, the Canadian National Railways cannot be permitted to go into bankruptcy because we are on its bonds and unless we repudiate our debts we have to pay them. I do not think it would be fair that government railway shops, built for making repairs, should be permitted to go into the manufacturing business and compete with the plants from which the railways get a good deal of their business.

As to the workmen who told my hon. friend that the railway repair shops can do the work as well as the private companies, it reminds me of the privates at the front who used to know more than General Sir Arthur Currie about running the war. I do not mind saying that during this discussion with regard to equipment I have received many letters from shop men, each of whom takes the attitude that he knows vastly more about the whole railway business than Mr. S. J. Hungerford, Mr. D. C. Coleman or even Mr. Beatty. With all due respect I submit that probably Mr. Beatty, Mr. Hungerford and Mr. Coleman should know a little more about the general

economics of the railway situation than the employees in the shops. I am anxious to see that whatever work is done under this measure should be fairly divided throughout Canada and carried on in such a manner that the workingmen will receive fair treatment, and I shall do everything in my power to see that this is done.

Mr. HOWDEN: I am rather surprised to learn that Mr. Hungerford or Mr. Coleman or Mr. Beatty, or whoever it was, made the statement that the railroad shops were not in a position to manufacture and produce this equipment. In the Transcona shops, unless I have been told what is not correct, they have built locomotives and coaches to some considerable extent, as I believe has been the case in other shops of the Canadian National system and perhaps also of the Canadian Pacific. At Transcona we have a shop that is prepared to build anything at all if they receive the forms; that is to say, they are prepared to assemble engines, passenger cars, refrigerator cars or anything else. As a matter of fact they are building refrigerator cars, stock cars and freight cars all the time; it is part of their business. Originally one shift alone employed nearly three thousand men. At present there are only about 1,500 men working on one shift. Formerly there were often two and sometimes three shifts of men working; now there is never more than one shift, numbering in all about 1,500 men.

I understand that the back shops alone, of the two railway systems, employ some fifty thousand men, whereas the men who will be employed by these contract shops will not number more than ten thousand at the very outside. So it does not seem to me a very fair division of the money that is to be voted for the relief of the workmen of this country when fifty thousand men have only $4,000,000 divided among them in providing work and ten thousand men will get the benefit of the balance of the $15,000,000.

Mr. MANION: As a matter of information could my hon. friend say how many of the fifty thousand are at work at the present time?

Mr. HOWDEN: I cannot say, but that was the full man force of the two railways when they were in full operation.

Mr. MANION: That is the figure the men used. I hope my hon. friend will pardon my interruption; the reason I asked the question was that I wished to point out that perhaps half or two-thirds of those men, for all I know, have been carrying on throughout, certainly not at full time in many instances but at least to a certain extent. That is the point I am making. These men who have been carrying on can hardly in fairness be compared with the men in equipment shops who have not been carrying on at all.

Mr. HOWDEN: That may be so, but as the hon. member for Vancouver South (Mr. MacInnis) said a few moments ago, many of these men are not making two-thirds of their former earnings. A man who formerly earned between $900 and $1,000 a year now earns less than $600. Together with some other members and some senators I had occasion to meet a group of these men, and they pointed out that they would be almost better off on relief than getting the wages they are receiving at the present time. It was pointed out, as I said a moment ago, that a man who formerly earned between $900 and $1,000 was now earning less than $600 a year. The wages of many of these men have been so reduced that they might have been almost as well off on relief.

There is another point that I think is worthy of note. The money that will be spent in order to provide work for men in the railroad shops certainly will go to the men in very large measure. On the other hand the contractors and syndicates who own the contract shops among whom will be spent the remainder of the money undoubtedly will realize a good share of that money and possibly only a very small proportion will reach the workmen in the long run. Under those circumstances, Mr. Chairman, although $4,000,000 is a good deal better than $3,000,000, it seems to me even $4,000,000 is hardly enough. I wish the minister could see his way clear to make it at least $5,000,000, because $4,000,000 seems a very small proportion in comparison with the money that is to go to private shops.

I do not believe I need say anything with regard to the abuses that have grown up in connection with trucking, as it affects the live stock industry. There is no doubt that the trucks have taken business away from the railways, but as far as the farmers in my part of the country are concerned, transportation of live stock by trucks has been more or less of a godsend. Formerly the cattle were loaded in stock cars, which were allowed to hang around the railway for a day or two before reaching the stockyards. In many instances the farmers got very poor runs; in the end the charges were just the same and the cattle were very much worse off. As it is now the cattle get to the stockyards within a few hours, and it is very much to the advantage of the farmers to have the truck transportation even though it does work to the detriment of the railways.

Mr. WOODSWORTH: There appears to be a good deal of doubt as to just how far this is a relief measure. The bill is entitled "an act to create employment by public works and undertakings throughout Canada and to authorize the guarantee of certain railway equipment securities." We are dealing now particularly with the railway equipment securities, but I take it that the real purpose of the expenditure of this large amount of money is to create a greater measure of employment. It seems to me there are really three groups that have to be considered. First we have the workingmen. I would join with others in suggesting that a much larger proportion of this money should go to the railway shops which are now in operation, and that as much of this money as possible should be spent for repairs rather than on new equipment, because in connection with new equipment there is much less labour than in connection with repairs. I think the minister has made it clear to us that the second group receiving consideration —I think I might go so far as to say relief— consists of the heavy industries of this country or, as he puts it, those engaged in the manufacture of capital goods.

It does seem to me that this subsidizing of private industry is rather a new principle. In the past in this country private industry has been subsidized by tariffs and bonuses but now we are doing it in a new way, by directly contributing out of the public fund, in order to keep up private industries, some of which have been closed down for five years. A little while ago the minister said railway shops could not be permitted to go bankrupt, implying that private concerns might be allowed to do so. In this case the minister is insisting that the private concerns should not be allowed to go bankrupt; I think that is clear. In answer to my colleague from North Winnipeg (Mr. Heaps), with regard to the conditions of labour, the minister said that it was quite possible that private concerns might go bankrupt, but he is not permitting these heavy industries to go bankrupt. He is deliberately taking several millions of dollars belonging to the people of Canada to subsidize private industry.

Mr. MANION: That is not so.

Mr. WOODSWORTH: I cannot see that I am unfair in my statement.

Mr. MANION: May I answer it, because that statement should not go out without a contradiction.

Mr. WOODSWORTH: If you wish; I want to be fair.

[Mr. Howden.]

Mr. MANION: I shall answer it in a sentence. How are we taking $11,000,000 of the people's money to subsidize private industry when we expect to get back the portion loaned to the Canadian Pacific Railway? We are not subsidizing to that extent any of these private industries. So far as the Canadian National Railways are concerned I say again that we are not subsidizing. Whatever subsidy is being given is being given to the railways, because if they never pay it back it is the Canadian National Railways that profits, and not private industry.

Mr. WOODSWORTH: Yes, the Canadian National Railways and the Canadian Pacific Railway. I am following the arguments of the minister to the effect that this money should be spent in the contract shops rather than in railway shops on the ground that the contract shops are in a bad way and should not be allowed to go bankrupt.

Mr. MANION: That is all right.

Mr. WOODSWORTH: Then, I say to that extent we would be subsidizing private industry. It is a process of saving private industry from bankruptcy.

Mr. MANION: Is that not a worthy objective?

An hon. MEMBER: What about the workman?

Mr. WOODSWORTH: Never mind him for a moment; I have already discussed that phase of the matter. I say there are three groups to be considered. First there are the working men; I am in sympathy with the idea that they should be saved from unemployment. The second group consists of the equipment companies. The minister has said the reason for giving the work to the equipment companies instead of to the railway shop is that we cannot afford to let the equipment companies go bankrupt. I say that would be a subsidizing of private industry.

Some hon. MEMBERS: No, no.

Mr. WOODSWORTH: The minister may put it some other way, but that is the way it appeals to me. We are expending this large sum of money partly at least with the idea of keeping private industries going. I will admit that we hope to have something by way of equipment as a result of our action, and I will admit further that incidentally we are going to help to give jobs to a certain number of men. I have already made that statement, but I want to be clear in my thinking and I should like the committee to be clear in its thinking. Although there may be

some help given to employees the fact remains that one of the primary purposes of giving the work to the car and equipment companies is that of keeping them from bankruptcy.

Mr. MANION: That was not given as a primary purpose, at all. I read that in the letters of Mr. Hungerford and Mr. Coleman. My primary purpose, as I explained, was an endeavour to start the heavy industries going, something which is vastly different from my hon. friend's suggestion.

Mr. WOODSWORTH: I shall accept the minister's words, that one of the purposes of the expenditure is that of endeavouring to start heavy industries going. You may call it what you like, but I shall call it the subsidizing of private industry. However, if the minister wishes I shall use his own words, namely that one of the purposes behind this grant of funds is that of starting heavy industries going. I believe those are his words.

Mr. MANION: But that is a purpose different from that which the hon. member mentioned previously.

Mr. WOODSWORTH: I am trying to state, in other words, that I believe the principle involved is that of subsidizing private industries, a procedure which to my mind is a new departure. We have had subsidizing of industry in one form and another, by way of tariffs, bonuses and so on. Here we have it in another form. We are going to make an expenditure for equipment with the idea of starting privately owned heavy industries operating.

The third purpose is that of having better railway equipment. The minister has read letters which would indicate the companies are of the opinion that we need this equipment. It is rather significant however that the minister has also admitted that the pressure for the purchase of the equipment came not primarily from the railway companies but from the equipment concerns. That is a point which I suggest we ought to keep in mind. However, let us assume that the railways need the equipment, and that when they have this equipment they will have a worth while asset. Then, the two railway concerns are to benefit from a financial standpoint from the passing of this measure. One is the Canadian National Railways, for which the government has a very definite responsibility; the other is the Canadian Pacific Railway, a private concern. I submit that before we give one dollar by way of either grant or guarantee to the Canadian Pacific Railway, a private company, the books of that company ought to be open to the public. To-morrow we have meeting in this building a committee which will deal with the accounts of the Canadian National Railways, and upon which occasion the affairs of the national system will come under detailed scrutiny. Railway officials are brought here to the parliament building; they appear before the committee the members of which are free to ask any questions they may wish. So far as the public is concerned the privately owned railway company conducts its business in secrecy as most private businesses are conducted. In the past that procedure may have been justifiable because private companies were supposed to be entirely responsible for their own affairs. I submit however that when a corporation feels it necessary to come to the government, cap in hand, asking for favours and for a grant or guarantee—and the remission of interest charges involves an actual grant of money—that company should be prepared to open its books and to give a clear statement of its financial affairs. There are many business people throughout the country who would be pleased to obtain a guarantee of funds they urgently require for purposes of carrying on their affairs. A great number of commercial and industrial concerns would like to have that opportunity, but we do not extend a similar privilege to them. Apparently however we find no difficulty in giving guarantees and even money grants to a big railway corporation.

I have said that we have certain responsibilities so far as the Canadian National Railways are concerned; we have not the same kind of responsibility in connection with the Canadian Pacific Railway. I do say however that we have a right to know why they choose to go on the dole. A poor man in any of our cities who asks for help to the extent of only a few dollars each week is immediately required to submit a statement indicating his financial standing. An investigator is sent to make inquiries, and a very careful scrutiny of the entire situation is made. We say that is necessary in order to safeguard public funds. If that is true in connection with giving relief of only a few dollars each month to a private family, I cannot for the life of me see why a great and wealthy corporation that seeks financial assistance should not give to this parliament full details of its financial affairs.

One further point: I am far from satisfied with the reply the minister gave my colleague with respect to conditions of labour in private shops. He said he would endeavour to see that the men are given a fair wage, and that he would be willing to draw the

matter to the attention of the railway companies ordering the equipment. That is not enough. In connection with certain public works hon. members are accustomed to insist not only that there should be fair wages and fair conditions in works, directly undertaken by the government, but that the same should obtain in other concerns doing work to which the government is contributing certain grants. I believe the Minister of Public Works will bear me out when I state that clauses providing for this are inserted in bills dealing with the building of bridges, and so on. In some instances we are going further and insisting that goods supplied on such contracts should be produced under conditions of fair wages and fair living. I do not think we should recede from that position in a matter of this kind. It is not sufficient for the minister to say that he will endeavour to see that the men will receive fair wages, that he will bring the matter to the attention of the railway companies. I think we should have inserted in every contract clauses providing that fair wages be paid to the employees and decent conditions maintained in the shops in which the employees are engaged. I think we would be going back on what has been regarded in the past as the policy of the government if we permit anything less than that.

Mr. MANION: I do not intend to deal at length with my hon. friend's remarks but I shall deal with two or three of the points he made. In the first place he, along with the hon. member for St. Boniface (Mr. Howden), took the attitude that more should be given to the railway shops. I repeat now what I have stated already a couple of times, that the allotment is made by the railway companies. They take the attitude that the amount of nearly $4,000,000 being provided for repairs is all they can economically spend at the present time for this purpose.

Mr. HOWDEN: Assuming that the railway companies had this money allotted to them for whatever expenditures they desired to make, is it the opinion of the minister that it would be expended according to the division he mentions now?

Mr. MANION: Absolutely. They are the people who are deciding how it shall be spent. I have not told them what should be done; rather I have urged them to spend more in repairs. Secondly, my hon. friend said and repeated that we were subsidizing private industry. We are doing nothing of the sort. Any one who has such a command of the English language as the hon. member knows that we are doing no such thing. He knows that the term "subsidizing" is not correct. That means that the government is paying an amount in cash to some one, but there is no such thing being done in this instance. Nothing is being given to the private companies other than the orders for equipment from the railways. Most of the money thus received will be paid in wages, either in the shops or to those manufacturing the steel, lumber and so on required for the manufacturing. There is nothing in the way of a subsidy to private industry.

Then he said that apparently we were anxious to keep the private companies from going bankrupt. I admit quite frankly that it gives me no pleasure to see any company in this country go bankrupt. I do not mean to be unjust to my hon. friend but after listening to the rather severe indictment of myself I cannot help but think that he is almost glad to see private industries go bankrupt.

Mr. WOODSWORTH: There is nothing in what I said from which that conclusion could be drawn. I was answering the argument of the minister that a railway company should not be allowed to go bankrupt. He said also that a private company might go bankrupt if it did not fulfil its contract; I was answering that argument.

Mr. MANION: I certainly do not wish to see any private company go bankrupt because the bankruptcy of any company is not particularly good for our country. I would point out to the committee the statements of Mr. Coleman and Mr. Hungerford who stated that if these companies were allowed to go bankrupt they would be forced to rely on foreign manufacturers for equipment. I did not discuss the question particularly myself; I took my statement from them. There is another side to this question. These private companies have not been able to give employment to their workers for four or five years, and these workers have the same rights as the workers in the railroad shops. The shareholders of these companies are also entitled to some consideration. I have not looked into the matter but I assume that these shareholders are largely Canadians. Many of them are taxpayers in a large way and along with the rest of us they have helped to keep the Canadian National Railways from going bankrupt. That company certainly would have gone bankrupt had it not been supported by the Canadian government and by the people who pay the taxes.

In justice to the Canadian Pacific Railway I must say that we have not given any money to that company. We have advanced some money in order to keep their shops open but this is supposed to be repaid. Some time ago we guaranteed a loan of $60,000,000 but I understand a good deal of this is clear at the present time. Generally speaking we have not been giving direct assistance to the Canadian Pacific Railway.

I do not think there are any more points brought up by my hon. friend with which I should deal. He has a better command of the English language than I, and I am quite sure he understands that the word "subsidy" is not applicable to what we are doing in an effort to give employment to those engaged in the heavy industries. We are only trying to stimulate the upturn of business which we were all so glad to realize a year or so ago.

Mr. EULER: When this matter of the $15,000,000 appropriation for equipment for the railway companies was discussed a few weeks ago, some hon. members, including myself, found fault with the government for making an appropriation of this kind, especially with regard to the Canadian National Railways. As has been stated frequently, the president of that railway stated very definitely before the committee that no equipment was required at this time. The minister tells us to-night that the president perhaps will take a different attitude to-morrow before the railway committee.

Mr. MANION: He said he would elaborate his statement.

Mr. EULER: He may elaborate his statement, but the fact remains, and it is on record, that when he was questioned with regard to this matter he stated that no such equipment was required.

Mr. MANION: Except at the peaks.

Mr. EULER: Except at the peaks, and then he thought that the cars could be borrowed, the common practice with railways. I find fault with this appropriation because the Canadian National Railways is already heavily loaded with debt obligations. I do not like to strengthen the hands of my hon. friends opposite, and particularly those of the Minister of Railways (Mr. Manion), who so consistently and strongly criticized the former government for expending such large sums of money on the Canadian National Railways. If this $8,000,000 is not required by the Canadian National Railways, as has been stated by the president, we have no right to load up the company with this additional amount. The amounts which have been allowed the two railroads are not in proportion. The Canadian National Railways is to get $8,000,000 while the Canadian Pacific Railway is to get $7,000,000. If the total $15,000,000 is to be provided according to mileage or capitalization, especially capitalization, the Canadian National Railways would get almost all.

I shall not discuss the division as between the private and railroad shops, although I think there is considerable force in the minister's statement that the employees in the private shops are Canadian citizens and entitled to such relief as the government can afford. I cannot agree entirely with the hon. member for Winnipeg North Centre (Mr. Woodsworth) when he rather advocates that railway equipment, especially locomotives, should be allowed to go down for fear railway labour will be displaced. No one wants to see labour of any kind displaced. I cannot agree that progress in the way of the improvement of machinery and matters of that kind should be stopped for the reason given.

Mr. WOODSWORTH: I would not like that to go out as my opinion. I asked the Minister of Railways (Mr. Manion) a while ago whether he had considered that aspect of the case and whether representations had been made along those lines.

Mr. EULER: I should like to see labour saving machinery invented and used to the greatest degree possible, but I should also like to see labour get the full benefit of the invention and use of such machinery. Desperate diseases they say require desperate remedies, and if this money must be expended to give employment and relief one cannot say a great deal, because every member agrees that we cannot allow any person in this country to suffer want and distress. But I do feel disposed at this moment—perhaps I shall be stepping on the toes of some of my friends not only opposite but on this side—to challenge the propriety of continually, if not subsidizing at any rate financing private industry in business. We have had a good deal of that and I am afraid that this sort of thing is leading the national government almost to the brink of bankruptcy, if I may throw out so alarming a suggestion. We have guaranteed large sums of money of all kinds for private interests. For example, we have guaranteed all the wheat pools of western Canada, and perhaps my hon. friends from the west will disapprove of what I say. This concerns Alberta, Saskatchewan and Manitoba. We have

speculated in wheat to the extent almost of hundreds of millions of dollars and we do not know how much we shall lose—possibly twenty, thirty, forty or fifty millions. We have guaranteed the debt of the Canadian Pacific Railway to the extent of $60,000,000. We guaranteed $15,000,000 on account of Beauharnois, for power which is now apparently not required. We have guaranteed or set aside $90,000,000 for the relief of debt mostly in western Canada. It is possible that this government will set aside the sum of $40,000,000 or $50,000,000 to promote housing, which may be a good scheme. And we are now again setting aside the comparatively insignificant sum of $15,000,000 for the purposes of this bill. Where is this sort of thing going to end? As an hon. member here said a few moments ago, there are many other lines of private business that are in distress, needing assistance. There are many industries in the country whose wheels have not turned once in the last three or four years and whose employees are out of work. The principle is thoroughly wrong, that we should go out and finance these private industries and play our favourites, if you like to put it that way. I say to the members of this committee that if the government continues in that way, if it continues to finance private industry, we shall very rapidly reach that point which would be approved of by my hon. friend and we shall have socialism sooner than you think. This country is now in debt to the extent of $4,500,000,000, over $3,000,000,000 on ordinary government account, consolidated debt of Canada, and $1,250,000,000 on account of the Canadian National Railways.

I assume I shall be criticized for what I have said to-night, though it does not matter a great deal. But it is my conviction, and I think the conviction of a good many citizens of this country, that neither this government nor any other can continue indefinitely and increasingly to finance and guarantee the debts and commitments of private interests. In this particular instance it seems doubtful that the $15,000,000 should be given in view of the fact that there appears to be no real demand for it, certainly not so far as the Canadian National Railways are concerned; and in all that I have said I do not want to try to convey the impression that I am not absolutely in favour of doing everything that can be done to relieve unemployment and distress.

Mr. MITCHELL: I have listened to the inquest of the hon. member for North Waterloo (Mr. Euler), but I would ask this question. What condition would this country

[Mr. Euler.]

have been in if we had not gone to the rescue of the farmers in the west when we could hear in the lobby talk about twenty-five cent wheat? What would have happened if we had let all these things go to the wall?

Mr. EULER: I did not suggest that.

Mr. MITCHELL: Everything works on paper, even the capitalist system. However, I want to put this point of view to the committee as one who believes in public ownership; you have to work out a technique to make it function. As to the issuing of bonds instead of allowing shareholders to take their risks as others do in industrial enterprises, I question whether the policy we have been advocating in connection with public ownership is sound. Even in Russia they had to alter their direction and insist upon various industries standing on their own feet. The necessity for this has been proved fully there. It has taken them seventeen years and cost possibly the lives of ten million people to prove it. Even a communist will not lend money to the government unless interest is paid on it. They are not different from anyone else. Here you have the hydro undertaking guaranteed by the province of Ontario and the vast Canadian National railway system guaranteed by the people of Canada. I do not think that these undertakings should stand, in relation to the financial structure of the country, so far as their indebtedness is concerned, on any different footing from an ordinary company. They should stand on their own feet. When profits are earned by these undertakings those who have invested in them should reap those profits; but if profits are not earned, then the taxpayers of this country or of Ontario or the other provinces should not be expected to foot the bill, any more than they should be expected to foot the bill in connection with other private undertakings. We are fast coming to the point of state ownership whether we like it or not. An absolutely new policy must be worked out whereby these undertakings shall stand on their own feet and be worked on a sound economical basis as other private enterprises are.

Mr. YOUNG: Would you apply that to the Post Office?

Mr. MITCHELL: Absolutely. The only argument for public ownership, and I am an advocate of public ownership, is that it shall be as efficient as private ownership and shall meet its obligations normally just as any other concern pays its way.

Mr. WHITE (London): As to the wisdom or otherwise of spending $15,000,000 at the present time in connection with railway equipment, I cannot say; I am prepared to accept the judgment of the Minister of Railways (Mr. Manion) in that regard. There is however one point which I wish to make and that is that we have a railway shop in London in connection with the national railways. A short time ago I was waited on by representatives of various trades working in the construction of these cars and also on repairs. I went to a good deal of trouble to get all the information I could. These men represented steel plate work, carpenters, millwrights and machinists, and they told me that up to August, 1929, they had worked five days a week and since then only sixteen days per month. They voluntarily reduced the working days per month in order that more men could be assisted to get a livelihood. These men advised me that the highest paid skilled workers on the present basis of sixteen days a month received $87 a month. These, remember, are only the highest paid; others receive lower salaries. They also state that about two hundred men in London are idle on account of reduction in activities. Their main fear was that in the event of all this new work being done, within a few months so much new equipment would be available that the railway companies would probably shorten up on the repairs which are now going through the shops in the ordinary way and that the work in the railway shops would be cut down further so far as these per month workers are concerned. I think, sir, you will agree with me that sixteen days a month is a very small amount for men to work. Those men have been very unselfish in the action they have taken and they should be commended for the way in which they have reduced their hours of labour or working days per month. They seem to be quite willing to carry on as they are, but they are fearful of any further reduction.

There is the other side of the picture which I have tried to present to them as a possible reason for a certain division of the $15,000,000. I know something about idle plants. It costs more by long odds, to keep a plant idle than to keep it running. There is the interest on the money invested; somebody has put the money in, perhaps borrowed it in order to do so, and there is no return. There is insurance to be maintained on the premises; there is the municipal tax bill which comes whether the industry is running or not, and there is also the care of the premises which have to be kept up. Those expenditures cannot be maintained indefinitely by any company and if maintained too long, the result, as has been intimated to-night, is possible bankruptcy. In the event of bankruptcy of a company of that kind which has been idle for several years and has no prospect of getting work for some little time in the future, one can understand how no one would be willing to invest money in such a proposition, and the result would be that if bankruptcy takes place, the plant would be idle for many more years. The precaution taken by the government to avoid such a contingency is in my opinion a very wise one.

The matter of subsidy has been mentioned. I do not like the word; I do not think it is correctly used, but nearly every line of activity in this country has received during the life of this government benefit by some action the government has taken. We might for instance refer to the rail order that was given to the Sault mills and the mills at Sydney a few months or a year ago in order to help out employment in those centres. If all this construction were confined to the railway shops only, what with taking care of repairs and doing the work slowly as they would have to do, the work would be extended to an unreasonable length of time and I do not think that would be good business. The fact is that the Canadian National deficits are now being paid out of the public treasury and they have been for years. We do not call this a subsidy, but it is an expense on the taxpayers of Canada. Roughly speaking, it takes all the money collected in income tax throughout the length and breadth of this country to pay the deficits on the Canadian National Railways each year, and it seems to me that when this plan can be evolved and worked out in the interests of the companies which are undoubtedly in need, the government is taking a very wise precaution in saving a great many of these companies from disaster. The only thing that I could suggest to the minister is this—and I make the suggestion in all seriousness—that possibly the proportion given to the regular railway shops might be increased. Someone spoke of $3,000,000 out of the $15,000,000; a few minutes ago the minister said nearly $4,000,000. If that were divided perhaps a little more favourably for the railway shops, a great deal would be done along the line in which we all wish this money to be expended, that is to the effect of doing the greatest good to the greatest number of workmen.

Mr. CAMPBELL: May I ask the minister if there is any schedule proposed regarding the number of locomotives that are going to be bought by each railway?

Mr. MANION: These are the estimates made by the railways and I assume they are subject to change, but I think they are in a general way correct. Altogether they are going to buy about twenty of various kinds.

Mr. STEWART (Edmonton): I have been greatly interested in listening to the discussion to-night in connection with this work. May I say first that if this is not to give employment, then I am against it. I have been given to understand that next to house building, this will provide more employment for unemployed men than will any other venture the government is proposing. If that is true and the unemployment situation is so serious as it is to-day, particularly on the railways and in the equipment shops, whether they are publicly or privately owned, then I am prepared to support this proposition especially on the statement of the minister that the railway companies are to be the arbiters who will make the decision. I have complained before about the interference of government in the management of the railways and I shall be prepared to complain about it again. It seems to me that the business of the government, so far as the national railway is concerned, is to see to it that proper management is provided and then let the management run the road. Interference from members of the House of Commons or from the parties would be disastrous to the operation of any enterprise of the size of the Canadian National Railways. If we are going to give employment, as is the avowed object of this vote, and if it will give a larger amount of employment than almost any other vote that the government has proposed for relief purposes, surely it is a step in the right direction.

I have had communications from the railway shops in West Edmonton asking that a larger proportion of this vote be allocated to repair work and stating that a very large number of cars require repairs and that this would give a considerable amount of employment to men who have now been three or four years out of work, some of whom, having spent their substance, have had to go on relief and are anxious to get back to work. Naturally I would feel like supporting that position, but the minister has assured the committee—and I must take him at his word—that this is a matter that is left entirely in the hands of the management.

[Mr. J. F. White.]

In regard to the Canadian National Railways, let me again say this: Whether national ownership is going to prove a good thing or not, the Canadian people who use these lines have the satisfaction, even if they are paying deficits annually, of knowing they are getting their freight and passenger rates lower than those charged on privately owned institutions in the United States. That is something we lose sight of every time we begin discussing this problem. If the rates on the Canadian lines were the same as those on the United States lines, with the traffic carried we would come much nearer to making our railways pay their way than they are doing at the present time. Therefore to my mind it is just a question whether it is better to take care of the deficits and pay the lower rates where we have a much sparser population than they have in the United States.

As the minister has pointed out, so far as this vote is concerned, it is a loan to the Canadian Pacific. I do not know what position the Canadian Pacific are in. I happen to know some of the stockholders of that company, who have received no dividends for the past few years, and I think that is a clear indication that the Canadian Pacific are not in an extremely prosperous condition. But I do not propose to go into that argument at all. If this will give as much employment as a housing scheme and will take up the slack of employment even for this year—and heaven knows the situation is bad enough—and until such time as we have a change in fiscal policy that will make it possible for our people to get employment without resorting to relief measures, then I am in favour of this vote and propose to support it.

Mr. COTNAM: Before the Easter adjournment I had occasion to present to the house and the Minister of Railways a petition from the residents of the village of Beachburg and township of Westmeath requesting the board of management of the Canadian National Railways to build a small new station there. I pointed out that for the past four years there has been no station in that locality although about $80,000 worth of freight traffic originates at that point, and I do not know how much express and passenger traffic. The Minister of Railways was kind enough to refer the petition to the trustees of the Canadian National, and he received from them a letter in reply which reads in part as follows:

Beachburg is seventy-four miles from Ottawa on the main line to North Bay and fifteen miles east of Pembroke. The station at this

point was destroyed by fire on February 27, 1931, and since then a combination baggage car and coach has been used for the accommodation of the agent, passengers and freight.

Although the board of management have had four years to deal with this question they have left the people of that locality with practically no station accommodation at all, and according to the tone of this letter they propose to continue that condition. I understand that where the management of the Canadian National Railways have been requested to provide elsewhere in the country a coach or baggage car as a station at some wayside point they have refused to do so, on the ground that it would be unsightly and not in accord with the ideas of the management; yet they have continued that condi- at this point for the past four years. This accommodation is unsanitary; I believe that if the local board of health wished to take action they could compel its being closed. Two transcontinental trains, one each way, arrive there during the night. The management of the railways say that they provide for heating at night. That statement is not in accordance with the facts; the people tell me that this baggage car is not heated at night, and frequently women and small children arrive during the night and there is no fire and no accommodation whatever. Sometimes the trains are two or three or four hours late, and people have to wait. The railway people say it would be easy for people to telephone to Pembroke, a distance of fifteen miles, and find out whether the trains are late. But during the winter months people have to drive with horses perhaps ten or twelve miles to meet the trains, and they do not know just when the trains may arrive.

I also pointed out that it would be possible for the Canadian National to provide rapid transportation on the main line between Pembroke and Ottawa. There is no question that if the management were willing they could give a service between Pembroke and Ottawa in two hours or two hours and a quarter, yet when they had the diesel engine car on that route it was taking three and a quarter and three and a half hours to cover the distance. Then they say they discontinued the service because the people had taken to buses and automobiles. To show how little they know about the circumstances, there is no bus service in that locality. Of course the people use automobiles as they do elsewhere.

We had a peculiar spectacle in Pembroke a little while ago when an application was made by the Canadian National to close the branch line twenty-two miles long from Pembroke to Golden Lake. Although the board of management of the railway had absolutely refused to give us certain information requested prior to the sitting of the railway board, when the sitting came on and they were compelled to produce the information required, the chief solicitor of the railway came to Pembroke and said: "We are willing to give you all the information you want." Another peculiar thing was that the solicitor of the Canadian National Railways sat down with the railway board and tried to find out where people could get alternative routes by the use of country roads. He said: This road would be suitable for trucks; some other road would be suitable for trucks. I pointed out at the time that I thought the Canadian National existed for the purpose of giving service to the people of this country, not of diverting traffic to the bus or truck services. It seems to me they are pursuing a very short sighted policy in curtailing and restricting service on the branch lines at a time when service should be their motto. If we are going to provide money under this unemployment relief scheme to build new coaches, perhaps the management would at least consent to give us a new railway coach to serve as a station at the village of Beachburg. For my part I intend to protest most vigorously against this measure until accommodation is provided in that locality. I do not think the board of trustees sitting in Montreal and getting reports know the local situation at all. This whole letter is filled with inaccuracies. I intend to protest and to continue to protest until they give the people of that section the service they are entitled to. No one there can understand why they took off that day coach between Pembroke and Ottawa. I do not know whether they have an agreement with the Canadian Pacific to slow down their service, but they have a run of ninety miles from Pembroke to Ottawa and if they speeded up their service they could carry passengers over that run in two hours or two hours and a quarter. Instead of driving passenger and freight traffic to alternative methods of transportation the railway management should be looking for means of bringing that traffic to the Canadian National. I hope the Minister of Railways will, with me, continue to lodge protests with the management until the conditions existing there are rectified.

Mr. CAMPBELL: A few minutes ago I asked the minister as to the number of locomotives that were going to be bought under this bill, and he replied, about twenty. I point out that this probably means an expenditure of only one and a quarter to one and a half millions out of this total of $15,000,000. It is further shown that only about $4,000,000 will be spent in repairs; therefore about $10,000,000 will go to the car manufacturers which seems too large a proportion. I take it that the railway companies feel that twenty locomotives are all they need, so that I am not going to make any special plea for any locomotive manufacturing company. But I want to add a few words, not in defence of any private compay, but to show that some of the utterances of some of my friends to the left on this side are a little severe as to where this money would go. I feel that any money spent under this bill would benefit the unemployed and the farmers and business men surrounding any city in which any of these factories are located. I have asked several manufacturing concerns in Kingston for their payroll and their production during the years since 1920, and I have before me a table made up by myself from the data received from the Canadian Locomotive Works. I want to be brief, because the hour is getting late, but the table shows that on the average the company have employed 501 men yearly since 1920 and have paid these men $575,833.34 annually, or about $1,150 per man. They have built 238 locomotives, costing $15,353,000, or an average of 21·6 per year. The statement was made tonight that of the money spent for locomotives two-thirds would go in material and one-third in labour. It will be noted that in this case of $15,000,000 spent on locomotives over $7,000,000 went in wages. I believe in this plant wages are fairly high; I can assure my hon. friends to the left that if the Canadian Locomotive Works in Kingston is given some business probably the wages paid will be a little higher than those in some other shops.

Mr. MacINNIS: Are the men organized?

Mr. CAMPBELL: I think they are all union men. I think the hon. member for Kingston City will bear out the statements I have made.

Mr. MacINNIS: That accounts for the higher wages.

Mr. CAMPBELL: This company has been paying about $40,000 annually in municipal taxes, in addition to provincial and federal taxes. At the present time in the city of Kingston there are about 2,500 people on relief, the majority of whom are former employees and the families of employees of this company, and are permanent residents.

I should like to point out something further. Some hon. members have voiced the opinion that probably the car shops could build this equipment as well as it could be built by some of the private companies. This company has been in business for a long time; I am not sure when it was started. They have specialized in the manufacture of locomotives; their designers have kept abreast of the times, and to-day they are prepared to make any of the more advanced equipment used not only in this country but also on some of the United States lines. After their locomotive business was cut off in 1930 they tried to branch out in other lines; I remember that they interviewed me, as a mine manager, in connection with the manufacture of mining machinery. They opened an office in Toronto, sent salesmen through northern Ontario and did their best, but even with the prosperity that the mining industry has enjoyed they have been able to secure only about $150,000 worth of business annually, and to employ only some eighty men who are paid about $116,000 annually.

No doubt much of the equipment and power at present used by the railways is not as fast as it might me; probably much of this power should be renovated and made faster in order to give better service throughout the dominion. I would respectfully ask the minister to pass on the suggestion to the railway companies that the equipment companies be given a fair share of this work. I think the railway shops are going to benefit to a large extent, particularly since only twenty locomotives are to be purchased, and I think as much business as possible should be given these equipment companies. Any work given the Canadian Locomotive Works of Kingston will benefit the people of that city, the labourers who have been waiting for the last three years for something to do, and the farmers and gardeners throughout the district who depend upon the workingmen for a market for their products, and it will help relieve this one city and two townships surrounding it at least of a large part of the cost of relief.

Mr. MacINNIS: I am not going to delay the committee more than a moment. Earlier in the evening I mentioned what I had been told as to the wages paid in a certain equipment plant, and the minister stated that he

was shocked to learn that such wages should prevail in any such plant in this dominion. May I say that I am shocked to find that the minister is capable of being shocked after all the evidence as to low wages and sweat shop conditions that has been brought to light in this country during the last year or so. I am afraid that the assurance of the minister that he will make efforts to see that fair wages are paid do not sound very convincing. I should like to know if the government would not consider setting a fair wage for this kind of work where no fair wage provision exists at the present time, or where the wages paid by any plant doing this work are not what the government think they should be. I should like the minister's opinion on that point.

Mr. MANION: I do not know what power we would have to do that. Speaking generally the fair wage laws are enforced by the provinces.

Mr. MacINNIS: We have a minimum wage law.

Mr. MANION: That is true. I must confess that I do not know enough about it to argue the point, but my understanding is that the fair wage laws are enforced by the provinces. However, I repeat that I shall gladly do everything I can to see that those employed by the railways or by the equipment companies are paid fair wages, because with all due respect I submit that I am as anxious to see fair wages paid in this country as my hon. friend may be. I shall gladly do everything I can to see that there is fair play in this regard.

Mr. ROSS: I just want to ask a question, and at the same time I want to say that I am pleased to see that the hon. member for Frontenac-Addington (Mr. Campbell) does not agree with his seat mate the hon. member for South Perth (Mr. Sanderson). The hon. member has given an excellent statement of the history of the Canadian Locomotive Works. The statement has been made that one of these equipment companies was paying only sixteen or seventeen cents an hour. I give notice now that to-morrow I will ask the minister to tell me, if he has received the information from the hon. member from Vancouver South (Mr. MacInnis), the name of the company paying this rate. I know that the company in Kingston does not pay any such wages. If the minister has not the information to-morrow I will ask him the next day, and I will keep on asking until I secure the name.

Mr. MITCHELL: I can assure my hon. friend that it is not the Kingston plant, because I know the organization that exists in the locomotive works in Kingston.

Section, as amended agreed to.

Section 10 agreed to.

On section 11—Orders in council laid before house.

Sir EUGENE FISET: Since this is a general clause covering the entire bill I should like to ask the Minister of Public Works whether the tripartite agreement that formerly existed is still in force; in other words, is it permissible for a municipality to apply to the provincial government to have some particular work undertaken and for the provincial government to refer the application to the federal government in order to have that work done? I am receiving numerous demands for information on this subject and I should be extremely glad if the minister could give me a definite answer.

Mr. STEWART (Leeds): Any arrangement of that kind would be consummated under the provisions of the relief act rather than under this act.

Sir EUGENE FISET: Does that arrangement still exist?

Mr. STEWART (Leeds): That depends upon the readiness of the province to undertake a scheme of work of that kind. In some cases the provinces are not prepared to go into any such agreement; they prefer to receive a fixed allowance and take care of unemployment themselves.

Sir EUGENE FISET: That is exactly what I am trying to ascertain. In a province that has accepted a fixed allowance, say Quebec, with a fixed allowance of $500,000 a month, is it still permissible or feasible for any municipality to make application to the provincial government, and if it is recommended by the provincial government will it be considered by the federal authorities in the ordinary schedule approved by order in council, as in the past?

Mr. STEWART (Leeds): The matter will be considered, certainly.

Section agreed to.

Section 12 agreed to.

Bill reported, read the third time and passed.

At eleven o'clock the house adjourned without question put, pursuant to standing order.

Tuesday, May 28, 1935

The house met at three o'clock.

STANDING ORDERS

Mr. A. U. G. BURY (East Edmonton) presented the third report of the select standing committee on standing orders and moved that it be concurred in.

Motion agreed to.

FAIR WAGES AND HOURS OF LABOUR

Hon. HUGH GUTHRIE (Minister of Justice) moved for leave to introduce Bill No. 75, respecting fair wages and hours of labour in relation to public works and contracts.

He said: On behalf of the Minister of Labour (Mr. Gordon), who is absent, I beg to introduce this bill. I may explain that the bill will operate as a repeal of the Fair Wages and Hours of Labour Act of 1930, and in addition to re-enacting many of the clauses of that act it will provide new sections to comply as far as possible with the recommendations of the price spreads commission. It makes provision for an eight hour day and a forty-four hour week upon government works and contracts, and it extends the federal government's policy of fair wages and the forty-four hour week to works and contracts towards which federal aid is granted by way of contribution, subsidy, loan, advance or guarantee, by providing that in all contracts hereafter entered into conditions shall be imposed which shall bind the contractors to maintain the same standard of hours and wages. These are the only changes in the bill.

Motion agreed to and bill read the first time.

RAILWAY EQUIPMENT CONTRACTS

INCLUSION OF CLAUSE REQUIRING CONTRACTORS TO PAY PREVAILING RATES OF WAGES

On the orders of the day:

Mr. A. E. ROSS (Kingston City): I gave notice last night that I would ask the Minister of Railways a question in regard to a certain statement made in the house that private companies were paying 16 and 17 cents an hour. Inasmuch as there is a private company in my constituency I should like to know whether that statement is true and what companies are paying such low wages.

Hon. R. J. MANION (Minister of Railways): The hon. gentleman intimated last night during the discussion that he intended to ask this question, and just this minute the hon. member for Vancouver South (Mr. MacInnis) has sent across to me a letter which deals with the matter. The letter does not name any of the equipment companies which, so far as I know, would be interested in this work. It does name a small company, the Equipment Manufacturing Plant of Saint John, New Brunswick, which would not be affected, directly at any rate. However, in the meantime, in order to have the facts clear and to be able to assure the house that we shall be in a position effectually to carry out what I promised last evening to do, namely, to endeavour to see that fair wages and hours are involved in any of this work, I took the matter up with the president of one of the large equipment companies—I tried to get in touch with a second one but did not succeed—and I also discussed it this morning with Mr. Hungerford of the Canadian National Railways, who was before the special committee. I am authoritatively informed that in any contract let by the Canadian National Railways in connection with equipment the following clause is inserted, and has been throughout the years:

> The workmen and labourers employed by the contractor in or about the works shall be paid such rates of wages as may be currently payable to workmen and labourers engaged in similar occupation in the districts in which the said works are being constructed.

Which covers the point. While I am informed that there has not been in the past at any rate any such clause in Canadian Pacific contracts, the same labourers and workmen do the work and the same working conditions and rates of pay apply. However may I just close my statement by saying that the government will insist, so far as any of these contracts are concerned, on having a fair wage clause inserted. As the Minister of Justice has pointed out to me, at any rate the matter would come under the bill he has just introduced. Irrespective of that, the government undertakes to see that this clause is incorporated.

Mr. EULER: The bill might not be passed.

ROYAL CANADIAN MOUNTED POLICE

SEIZURE OF SCHOONER PAUL T.—DISCREPANCY BETWEEN ANSWER TABLED AND ANSWER HANDED TO MEMBER

On the orders of the day:

Hon. P. J. VENIOT (Gloucester): On January 17 last I put on the order paper three questions referring to the seizure of the schooner Paul T. Those questions were answered on January 24 by the Minister of National Revenue (Mr. Matthews). With

the first and second questions and the answers thereto I am not concerned. The answers were given to and printed in Hansard and a copy of them was handed to me when the minister laid, as I thought, his answers on the table. But the third question reads:

Were instructions issued by the Department of National Revenue for the disposal of these stores found on board the Paul T.; if so, what were the instructions?

The answer to that third question as handed to me by the minister or by his orders read as follows:

No specific instructions.

That answer does not appear in Hansard. I did not examine Hansard at the time; I relied upon the official answer given to me by the Minister of National Revenue. Later on, in a case to which I do not wish to refer now, I was brought face to face with the answer that is now in Hansard and that is not the answer given to me by the Minister of National Revenue. I now desire and I think I am entitled and the house is entitled to an explanation why the answer given to me does not appear in Hansard and why a different answer from the one given to me does appear as a record in Hansard.

Hon. R. C. MATTHEWS (Minister of National Revenue): This is the first time this matter has been drawn to my attention. Unfortunately I was away during the whole month of January; I was not in the house in January or February. I can assure the hon. member that I shall look into the matter and bring it up again.

MARKETING ACT

APPLICATION OF PRINCE RUPERT HALIBUT FISHERMEN TO COME UNDER MARKETING BOARD

On the orders of the day:

Mr. OLOF HANSON (Skeena): I would like to ask a question of the Minister of Agriculture, but as he is not in his seat, I would ask the Prime Minister to answer the question which is based upon the application of the Pacific coast halibut fishermen to come under the marketing board. The question is: Has the council acted upon the recommendation of the marketing board to have the Prince Rupert halibut fishermen come under the marketing act, and if not, when might such a decision be expected from the government?

Right Hon. R. B. BENNETT (Prime Minister): The question is probably a little out of order for the reason that it is not competent to inquire what action council has taken until that action is indicated by an order that may be passed. I may say for the information of the hon. gentleman that the question of determining the extent to which the parliament of Canada may exercise its jurisdiction over halibut or any other fish caught and dealt with within the boundaries of a province is one matter; interprovincial and national trade can be dealt with by the marketing act. As I am informed, the department is now obtaining the opinion of the law officers of the crown as to the extent to which the order sought may be made and still be within the competence of this parliament under the provisions of the marketing act. I think some definite action will be taken just as soon as that opinion is obtained, which will be within a day or two.

CANADIAN NATIONAL RAILWAYS

On the orders of the day:

Mr. A. E. MUNN (Vancouver North): I have a question I would like to direct to the Minister of Railways. As a member of the house I have been advocating for years that the capital structure of the Canadian National Railways should be adjusted. The auditors have sent in a special report on the Canadian National and I understand that copies are available only to members of the special committee. As a member of the house I and perhaps others would like to have a copy of this report. Would it be possible for us to get copies?

Hon. R. J. MANION (Minister of Railways and Canals): I shall look into the matter. The report is rather a lengthy one and the auditors themselves supplied us only with sufficient numbers for the members of the committee. However I shall look into the matter and see whether I can get a copy for my hon. friend. I think I can do that, but if many members wanted copies, some special arrangement might have to be made.

Mr. MACKENZIE (Vancouver): They all want them.

Mr. MANION: If, as the hon. member for Vancouver suggests, they all want copies, I shall have to arrange to get them printed or typed specially for the house and I shall be glad to do that; if I can.

Mr. JACOBS: We want the report for summer reading.

Mr. MANION: Light summer reading.

POSTAL SERVICE—HOLIDAYS

Hon. P. J. VENIOT (Gloucester): I would like to draw the attention of the Postmaster

General to what I consider is an anomaly in the service. Before putting the question to him, I may say that I would not require an answer to-day because I know it would take a little time to look into the matter and an answer later on will satisfy me. I understand that under an order issued to the postal service in 1932, which I think is still in effect, on Easter Monday, the King's birthday and Remembrance day postal employees are required to give four hours' service without remuneration. Generally speaking, the rest of the civil servants are not required to do this. At Easter time and other legal holidays postal employees giving this extra time are allowed time off later on, but for the three holidays I have mentioned they are not allowed time off. I ask the Postmaster General (Mr. Sauvé) if it is the intention to continue that practice, or would he consider placing the postal service on the same basis as other sections of the civil service. I am not asking that they be paid for that extra service, but that they be allowed four hours' leave at some other time.

Mr. SAUVE: I shall consider the remarks of the ex-Postmaster General (Mr. Veniot) and give an answer to-morrow.

PURCHASE OF FERTILIZER

REQUEST FOR ASSISTANCE FROM PRINCE EDWARD ISLAND FARMERS

On the orders of the day:

Mr. A. E. MacLEAN (Prince): I would ask the Prime Minister if an application has been received from the farmers of Prince Edward Island in regard to a bonus on last year's potato crop or some assistance towards buying fertilizer for potato crops this year?

Right Hon. R. B. BENNETT (Prime Minister): The Minister of Agriculture for Prince Edward Island has brought the matter to the attention of the government and asked that some action be taken.

VICTORIA BRIDGE TOLLS

On the orders of the day:

Mr. VINCENT DUPUIS (Laprairie-Napierville): I would like to ask the Minister of Marine (Mr. Duranleau) if an arrangement has been made between himself and the committee on bridge toll reduction on the Victoria bridge to receive their delegates, as the acting Prime Minister (Sir George Perley) told this committee that this would be arranged by the Minister of Marine.

Hon. ALFRED DURANLEAU (Minister of Marine): As my hon. friend is a member of the south shore tolls committee I thought he had been advised by the secretary that we have agreed to receive the delegation on Friday next after the arrival of the morning train from Montreal.

PREVENTIVE SERVICE SEARCHES

On the orders of the day:

Mr. C. B. HOWARD (Sherbrooke): May I direct an inquiry to the Minister of National Revenue (Mr. Matthews)? I brought this same thing up a year ago. On the 24th of May, a public holiday in Canada, the mounted police stopped most of the cars on the highways throughout the eastern townships, and unloaded the passengers at great inconvenience to decent, law-abiding citizens. May I ask that if this practice is going to be carried on, he would at least see that the mounted police go to the border and do their work there, if he is not satisfied with the way his officials are handling the customs in connection with people entering Canada?

Hon. R. C. MATTHEWS (Minister of National Revenue): The hon. member asked a similar qu stion last year—

Mr. HOWARD: Certainly, the same thing happened then.

Mr. MATTHEWS: —and I inquired at the time and found that neither the department of National Revenue nor any of its officers issued any instructions whatever to the mounted police in regard to the matter to which the hon. member referred. While I have no information at the moment, I am sure the same situation exists now.

WEIGHTS AND MEASURES ACT

Hon. R. B. HANSON (Minister of Trade and Commerce) moved:

That the order of the house for second reading of Bill No. 46 to amend the Weights and Measures Act be discharged and the said bill withdrawn.

He said: I do this on the ground that the subject matter of this bill is included in Bill No. 70, to amend the Weights and Measures Act.

Motion agreed to and bill withdrawn.

PATENTS OF INVENTION

Hon. C. H. CAHAN (Secretary of State) moved the second reading of Bill No. 48, to amend and consolidate the acts relating to patents of invention.

Hon. FERNAND RINFRET (St. James): Before second reading carries I want to say a few words. I might perhaps have avoided

doing it, as I was going to suggest that the discussion should take place when the bill is in committee. This bill was introduced in the Senate and received full consideration in the higher chamber. It was also before a special committee there, several witnesses were heard, and I think the bill comes to us in pretty good shape generally. I take this occasion to commend the practice by any government of introducing bills of this nature in the higher chamber, where work is less congested, because when such a measure comes to us a certain amount of consideration has been given to it, and that is for the good of both chambers. I may say further that the Patent Act is one which is always under consideration by a certain portion of the public, many amendments are sought from the department and the minister every year. When I was in charge of that department, on several occasions associations as well as individuals came to the department to secure extensive amendments to the act or to suggesting consolidation. Therefore if any principle is involved in this second reading, reserving any opinion as to the different sections of the bill, I favour this consolidation, with the hope that when adopted the measure may stand for several years without requiring further change. I think it might have been an advantage for this house to have had this bill considered in a special committee, but everyone will understand that at this late stage of the session that would not be feasible. In the hope that the house may be able to dispose of this measure in an expeditious way in committee of the whole I will not say anything further at present. I think we can well deal with the questions as they arise from section to section.

Hon. H. H. STEVENS (East Kootenay): I do not rise in any spirit of criticism of this bill, but there is a matter which I understand is not dealt with in it, and as there would be no clause under which the matter could be brought up in the committee stage as far as I know, I would like to lay before the government one phase in connection with patents which I trust might be considered when the bill is before the committee. I refer to the practice of concerns in Canada, and I think the same practice is followed in other countries, of taking advantage of the Patent Act for the enhancement of the price of goods, to a degree perhaps unwarranted in the circumstances. I may illustrate the point by incidents which came to my attention some months ago and which were brought to the attention of the official in charge of the act at that time. These had to do with electric light bulbs. I want it clearly understood that I am not bringing this matter forward at the present time merely to mention this incident, but it illustrates the point to which I wish to refer.

Electric light bulbs are manufactured in Canada under patents held by certain companies. They are sold, in the case of a one hundred watt bulb, at around 55 or 60 cents each. Dealers in this class of goods assert that they can buy the same general type of bulbs which have paid all the patent royalties and observed all the provisions of the law in the United States or in Holland, pay a duty of some thirty or forty per cent and sell them in Canada at from twenty-eight to thirty-five cents retail. I should complete the statement by saying that after observing the patent laws of the country where they were produced and paying the duty charged by the Canadian customs authorities and so on, when they sought to enter these bulbs through the customs, after an appeal to certain sections of the Patent Act, they were not permitted to import them into Canada because the patent rights in this country had been reserved.

The point at issue there is simply this: Under the international agreement regarding patents and trade marks, if a certain article has been manufactured in a foreign country, with all the provisions of the patent law of that country being observed, it ought not to be an offence to bring that article into Canada providing a reasonable protection is given through customs duties if that happens to be the government policy at the time. Having observed all the regulations in the country of manufacture and having paid the duty I submit it ought to be possible to import those articles into Canada. Under the law as it now stands, however, that cannot be done and in this particular instance the Patent Act serves really as a duty of about eighty per cent in addition to the twenty-five or thirty-five per cent charged under the customs laws.

My submission is that the Patent Act never should be used or permitted to be used as a supplementary customs duty or protection. I think that should be made clear. I should like to state also that in drawing this matter to the attention of parliament I only do so because now the act is in a major state of revision before the house. I am not criticising any government, past or present, in regard to the matter; I am bringing to the attention of the house a situation that has developed and been disclosed, so far as I am concerned, only during the past year. I have a good deal of information on the matter before me, and I should like to read briefly from a reference with regard to an investigation made by the federal trade commission of the United States, who in 1928 conducted an inquiry into the

question of electrical equipment and competitive conditions of the electric power industry. They found the electrical industry to be dominated if not controlled by an international group of electrical manufacturers, each member of which is the most powerful in its respective community. The members of this international organization exchange patent rights, manufacturing processes and other trade secrets. This exchange is characterized by a division of territory, and I should like to direct particular attention to this:

> This exchange is characterized by a division of territory, each company granting to the other exclusive rights in specified countries, described as exclusive territory; or non-exclusive rights in other countries described as non-exclusive territory, and reserving all rights in still other countries described as excluded territory. Such agreements practically eliminate any competition of a serious nature. For example, in the case of light bulbs, in so far as Canada is concerned no independent manufacturer can either manufacture or sell in Canada without being liable for suit for infringement of patents which are owned by the larger organization—represented in Canada by the Canadian General Electric Company Limited, and Canadian Westinghouse Company Limited. These two firms as members of the international group have been "given" a Canadian market, and by the mere threat of suit are usually successful in disposing of any likely competitor.

That statement was made in 1928 by the federal trade commission of the United States, so I am told, but the facts are slightly different to-day. I understand, though I am speaking subject to correction, that there are now five companies in Canada, but the other companies have been added only by licence of the older or larger companies, and all these are represented by one concern. When certain dealers brought in or attempted to bring in bulbs from foreign countries, in one case Holland and in two or three other cases the United States, this one concern brought suit against the importers, secured injunctions and subjected them to a great deal of loss and inconvenience.

I would have no criticism of these companies in protecting their patent rights in Canada providing they sold their goods to the public at a reasonable and fair rate. I am quite aware of the answer that may be made; I have not had time to look up the section of the act but I am quite aware that it does provide that the commissioner of patents, I believe under the instructions of the minister, may interfere, and I think he has power actually to fix prices where he has reason to believe that abuses have occurred. In practice however, this does not happen; as a matter of practice I doubt if there is any great interference.

[Mr. Stevens.]

There is another feature which I think ought to be taken into consideration in dealing with this matter. I had under my hand, and I sent forward to the proper official in the proper department, a long list of patents affecting these articles held by these companies; if I remember correctly the list included several hundred patents, or we will say in the neighbourhood of over one hundred; the exact number I have not in mind or under my hand. The question arises as to how many of these patents, frequently bought up and controlled by the larger corporations, are ever put into actual operation. Here again I quite admit that there is an answer. The answer is that if they are not put into operation within eighteen months or some certain limited period of time the commissioner may declare them open, but again that does not work in practice. The situation is quite obvious. A man perfects an invention and, if it is good, immediately it is sought after and secured if possible by one of the large corporations. They are strong and wealthy, if the new invention affects some invention they are already manufacturing in large quantities they can easily afford to pay a very large sum, comparatively speaking, for the invention. The individual is satisfied; he is paid off, and the patent now belongs to the large corporation. It is pigeon-holed and the chances are that no one in the country has any knowledge of it, except those in the patent office, but the patent commissioner is not there for the purpose of checking up to see whether or not patents are used. Unless someone brings the matter to the attention of the patent commissioner there is little likelihood of any action being taken. Here again I submit that in this general revision the act ought to be so changed that where patents have been issued some body, some official or some official body should be clothed with the authority, to follow up those patents to see whether or not they are used, and if they are not used for the benefit of the general public some explanation ought to be forthcoming as to why they are not used. I am convinced from quite a lot of thought and investigation I carried on in connection with the subject some six or eight months ago that there is a large number of patents particularly electrical patents and others in other lines of industry resting in the archives of many corporations which would be useful to the public, which ought to be put into operation and use, but which are not used because they conflict with some general and practical object now being manufactured in large quantities.

Mr. BOTHWELL: May I ask a question?

Mr. STEVENS: Yes.

Mr. BOTHWELL: I should like to ask the hon. member if the difficulty might not be solved by giving newspaper notoriety to patents after the time has expired within which they are protected.

Mr. STEVENS: That is quite true, but it is not the point about which I am speaking. I am refering to patents which have not been used either before or after the expiry date. There is no doubt about it however that publicity would do much to cure the difficulty, and I shall have a suggestion to make in that respect.

In the price spreads report reference has been made to placing the administration of the commercial side of the Patent Act—not necessarily the legal side, because there are two sides, legal and commercial—under a body such as is recommended, namely the trade and industry commission. In any case there ought to be an official body of some kind or a business department responsible for the administration of the commercial side of the patent law, so that they could keep track of and check on patents which have been issued, ascertain to what extent they are being used or pigeon-holed as the case may be, or to what extent the holders of a patent right are abusing that privilege in the manner I have mentioned, namely, by virtually turning it into a secondary customs protection.

These are two matters to which I should like to draw the attention of the house, and I feel that unless it is done in this revision there is not much hope of having any remedial action taken for a great many years. It is true that the commissioner of patents may order the patentee to supply the patented article within reasonable limits at such price as may be fixed by him and in accordance with the trade. It may be answered this afternoon that that provision in the act takes care of the situation. I submit that in the first place the practice demonstrates it is not done and in the second place I submit that under the present method of administration of the act the patent commissioner is so engrossed with his other duties and with, shall I say, the vision of his duties which has grown up through the years that this feature of it is practically ignored or neglected, not with intent but simply as a matter of form and practice.

That is why I suggest that the matter should be considered seriously because I am convinced of this, namely, that in this one instance alone, the manufacture and sale in Canada of electric light bulbs, the public are paying a price which I would say is at least 30 per cent or 40 per cent above that which they ought to pay for this class of goods. If it is true in this instance it may be true in a great many other instances. As a matter of fact I have not any doubt that it is true in other instances and therefore I suggest that before this measure leaves the committee stage of the house some provision should be made for an adequate protection of the consumer in regard to this matter. I again suggest to the government that they consider the placing of the administration of the commercial features of the act under some business organization or body, official or board whose duty it shall be to check on these commercial sides or features of the patent laws of the country.

Mr. CAHAN: Mr. Speaker, this bill—

Mr. COOTE: Will the minister not close the debate if he speaks?

Mr. CAHAN: I have not opened it yet; I have not had the opportunity.

Mr. STEVENS: He opened it when he seconded the motion.

Mr. GARLAND (Bow River): I rise to a point of order. Does not the minister on the actual motion open the debate, and therefore is he not out of order in speaking at this time unless it is agreed that by his speech he closes the debate? He has already spoken.

Mr. CAHAN: I have no objection to the point of order standing. When the bill was called I rose in my place to make a preliminary introduction, but another hon. member caught the eye of the Speaker and proceeded. I suggest however that this debate on the details of the bill might better take place when we are discussing the separate sections.

Mr. COOTE: I do not wish to interrupt the minister nor do I raise a point of order, but I am simply trying to protect my right to speak. So far as I am personally concerned I should be very glad to have the minister make any statement in connection with the bill which he desires to make. Certainly I do not wish to interfere with that right.

Mr. GUTHRIE: Go ahead.

Mr. CAHAN: Yes, go on.

Mr. G. G. COOTE (Macleod): Mr. Speaker, I am much impressed by the number of persons who have come to me during the last two or three years with representations regarding patents, and when the patent measure was introduced by the minister I wrote him and suggested that it would be in the best interests of the House of Commons

and all people concerned if the bill were sent to a select or special committee of this chamber. However that was not done. This measure was sent to the Senate, and I believe it has been considered by a committee of that chamber. There are one or two points however which I should like to bring to the attention of the house before the bill receives second reading.

I have been much impressed by the statements made by the hon. member for East Kootenay (Mr. Stevens) who has just taken his seat. I should like to impress upon the house that the people generally have an interest in most patents granted to-day. A great many patents, and particularly in industries such as the electrical industry, are the result of work of scientists and engineers employed by the electrical companies. Practically all of these men have received their training or education in some university which is at least in part kept up by the state. When these men secure employment in large corporations I believe they must sign agreements to the effect that the benefits of any inventions or discoveries they may make must go to the corporations employing them. If these men have been educated at least in part at the expense of the public it does not seem fair that the results of their discoveries should benefit commercial enterprises, or that the benefits arising from their discoveries should go to corporations. The public have an interest in all inventions which arise as a result of their labours. I believe the best way to deal with the matter would be to set up a board with power to determine the royalty which would be paid for the use of any patent, and to decide to whom the royalties should be paid—whether to some corporation, an individual or to be divided and allow anyone to manufacture the article on payment of royalty. I have been convinced by representations made to me at different times that the public are paying a tremendous price for some of the patented articles that are in common use throughout the country and that the Patent Act is one of the corner stones of monopoly in Canada. About a year ago I had brought to my attention a certain type of grain cleaner used in western Canada. In many instances this apparatus is installed on grain separators, the grain going through it as it comes through the threshing machine. The cost of the cleaner installed on the grain separator ranges from $420 to $460. I never heard of it being sold for less than $420. The implement agent in Calgary who told me about this said that he had taken the trouble to inquire what it would cost to have one of these machines manufactured and installed on the separator, and he assured me that if it were not for the patent right interfering, this machine could be made and placed on the separator at a price which would enable him to sell it to the farmer at approximately $200. Let us assume that a royalty of $20 was paid to the inventor of that grain separator, and surely that would be considered sufficient for him. Then the invention would be available to the farmers at a cost of approximately $220, which is about fifty per cent of the price we are forced to pay to-day. It may be possible to overcome some of these things through administration by the methods suggested by the hon. member for East Kootenay, but it is the duty of this house I think to see that if possible some change is made in the act itself or in its administration so that these things will be available to the people at a price which we can afford to pay and which will also allow ample remuneration to the inventor himself.

As I said a moment ago the present Patent Act is one of the cornerstones of monopoly, and I think we are all agreed here that monopoly makes possible tremendous over-capitalization. Monopoly deprives the people of the beneficial effects of many inventions. Radio is an outstanding example. It would seem to me that any future invention for the improvement of radio would be useless to anybody except those who hold the patents under which the present radios have been built. So any inventor who perfects some improved process in regard to radio and patents it, is at the mercy of the radio holding trust. I do not know whether I am giving it the right name, but I am told that there is a holding company which holds these patents for the large corporations. If we were to change the act in the manner I have suggested so that anyone who was willing to pay a royalty to be determined by a government board might make use of any invention, I think that would go a long way towards decentralizing some of the big monopolies, and the decentralization of industry is something that is so desirable to-day.

I do hope that before the act is allowed to receive its third reading careful consideration will be given to the proposal which I have made to set up a board to fix a royalty on patents, after which any person who is willing to pay that royalty may make use of the patent. That would allow the public to get the benefit of many of these inventions which to-day are possibly being withheld from us, either actually withheld through misuse,

or withheld because of the exorbitant price which is asked for them. There are one or two other objectionable features of the present Patent Act which I think ought to be changed, but I have emphasized the point which I think should be stressed at this moment on the second reading of the bill.

Mr. C. E. BOTHWELL (Swift Current): Mr. Speaker, I have just one word to add to the question which I asked the hon. member for East Kootenay (Mr. Stevens). It does seem to me that a lot of our difficulties in connection with patents granted could be overcome if something in the nature of a publication were got out by the commissioner of patents showing when the time for manufacturing a patented article in Canada had expired. It has been generally stated that patents are pigeonholed, and as has been explained by the hon. member for East Kootenay, nobody has any particular knowledge of these patents. But if the commissioner of patents were compelled to give public notification either in the Canada Gazette or some other publication of the patents that had been granted and had not been made use of, it seems to me that a lot of the difficulty would be solved without the necessity of setting up any board.

There is also the other question of patents being held and being made use of to build up a monopolistic trade. I am not so sure that that could not also be overcome through the commissioner of patents by publication, and without the necessity of creating any extra board or setting up any committee or some business organization or body, giving the public an idea of what patents are in existence and which they may find an opportunity of making use of. Then the opportunity for competition will be given.

Hon. C. H. CAHAN (Secretary of State): Mr. Speaker, this patent bill was introduced by me to this house in January of this year, and I then made some explanation of the nature and purpose of the amendments suggested in the bill. It really was one advance step in the matter of legislation relating to the Department of the Secretary of State. In August, 1930, when I assumed that office I found in the administration of that department that its effective operation was restricted somewhat by the legislation then in force, and experience from week to week and month to month suggested to me certain amendments.

In the session of 1931 I introduced amendments to the Copyright Amendment Act to comply with the obligations that Canada had assumed under the Rome convention of 1928 to which Canada had adhered, and to provide for effective means of investigating and restricting the royalties, fees and charges of those companies and associations which controlled performing rights in music. In the same session I introduced to this house an act to amend the Naturalization Act, to protect Canadian women who married aliens and who did not thereby acquire the nationality of their husbands. That act as passed by this house was subsequently accepted by the imperial parliament, which made amendments to its own naturalization act in conformity with the amendments made by this parliament.

In the session of 1932 I prepared and submitted to this parliament bills to amend the Boards of Trade Act and also to amend the Patent Act; a bill respecting the civil service of Canada, and a very important bill indeed entitled An Act Respecting Unfair Competition in Trade and Commerce, which was to carry into effect a certain convention which had been entered into at The Hague by the previous government, and with respect to which that government had not, previous to going out of office owing to dissolution of parliament, been able to promote confirmatory legislation.

In the session of 1933 I prepared and introduced a very important bill, An Act to facilitate compromises and arrangements between companies and their creditors, the validity of which was questioned by one or more of the provinces, but which was subsequently upheld by the unanimous decision of the Supreme Court of Canada.

In 1934 I prepared and submitted to this house three very important measures relating to the Department of the Secretary of State: one, an act to amend the Oaths of Allegiance Act, which passed this house unanimously, although similar legislation was the subject of very acrimonious debate in two of our sister dominions; also an act to provide for a Bureau of Translations, with respect to which there were differences of opinion in this house; and also an act respecting dominion companies, which involved the redrafting of dominion company legislation to give better protection to the public and to insure the more prudent administration of the business affairs of these companies. And then came this last measure dealing with patents. In order to secure an improvement in the legislation with regard to patents, in the early years of this administration I asked a certain committee to organize and sit under the chairmanship of the senior judge of the Exchequer Court of Canada, and that committee advanced very admirable sug-

gestions. It was however unable to come to an agreement as to whether in the improvements in our patent law we should follow the American legislation or should follow what many believed to be the best patent legislation existing, that is, the patent act of the United Kingdom.

In this bill many of the difficulties which arose in the administration of the Patent Act now in existence have I think been entirely overcome. It is true, as suggested by the hon. member for East Kootenay (Mr. Stevens), that the establishment of a patent monopoly in Canada by any patentee has hitherto enabled that patentee to maintain his monopoly, although reasonable efforts were not made for the effective working of the patent in Canada, that is, for the effective manufacture and sale in Canada at reasonable prices of the patented article. I found in the administration of that act, as suggested, that a foreign patentee who, under the international convention to which we are parties, has a right to apply within one year for a patent in Canada, has frequently obtained the patent in Canada without proceeding to the effective manufacture here under that patent, but he has in times past appointed an agent in Canada whose chief duty it was to conserve the monopoly rights in Canada of the foreign patentee, with the result that, although manufacture was not undertaken in Canada, the agent in Canada of such patentee was able to keep fully advised as to the importations of articles which infringed the Canadian monopoly and by exacting payment of a royalty in Canada, which was not regulated, was enabled to maintain in Canada very high prices for the articles manufactured abroad by the foreign patentee.

When this bill was introduced it contained some very stringent proposals to overcome these difficulties. Owing to the press of work here and the lack of legislative work in another branch of parliament, the bill was dropped here and introduced in the Senate. It was then brought before the Senate committee on banking and commerce. I attended that committee in order to watch its proceedings from day to day and week to week, and I do not think that in recent years in parliament any committee has ever shown the same active interest in a bill as was shown by that committee of the Senate. Day after day and week after week witnesses from all parts of Canada appeared before that committee and gave evidence with regard to the alleged evils which had arisen by reason of the lack of certain improvements which were proposed in the bill. Finally, after several weeks, the bill passed the committee of the Senate and the Senate, and is now before this house for second reading.

I do not intend at this stage to enter upon a discussion of particular sections of the bill. One difficulty I found in the administration of the act was that, except by the appointment of a royal commission under the Inquiries Act, there was no way by which the Secretary of State, or the patent commissioner, who was acting as the head of this branch of the Department of the Secretary of State, could ascertain definitely whether a certain patent was really being actively worked in Canada, that is, that the patented articles were being manufactured in Canada and sold at reasonable prices and under reasonable conditions. The result was that we introduced a new section which is found in this bill, that is, section 64, whereby the commissioner may at any time apply to any patentee for a return showing whether the patented invention is being worked on a commercial scale in Canada, the place where worked, the name and address of the person by whom the patent is being so worked, and the reasons, if any, why such patented invention is not being worked in Canada. And the failure to make complete answer to such a request is an admission by the patentee that the patented invention is not being worked. But that was not deemed quite sufficient, and so we proceeded with section 65, which is an entirely new section; and we there provided for certain compulsory licences in case of abuse, and also section 66, which is entirely new to our legislation, and which is a verbal reproduction of the English act, has been incorporated in this bill. And under these provisions I suggest that the evils, at least so far as they can be controlled by legislation, are being controlled in this act. I think an opportunity should be given to the department to ascertain whether it may not be effectively administered so as to obviate the evils which have been mentioned and some of which undoubtedly exist. I say personally, having been in that office now for five years, that so far as effective administration goes, an effective administration has been given under the several statutes then in force, and so far as an intelligent effort could be made to introduce remedial measures, to make the administration of the several acts more effective, those remedial measures have, as I have already suggested, been brought before the house.

This measure is I think the culmination of such efforts as I have been able to make to secure satisfactory legislation under which that branch of the department of the department of the Secretary of State could be effectively

administered. I believe this legislation, if enacted, will remedy the objections which some hon. gentlemen have made, and I trust the house in its wisdom will adopt this bill in almost its entirety so as to see if it can be so administered as to maintain intact our obligations under the international conventions to which we are parties, so as to preserve intact the reasonable rights of patentees, and so as to conserve effectively the public interest as to both the production or manufacture in Canada and the sale at reasonable prices in Canada of the patented article. I can assure the house that neither this nor any other measure which I have introduced has been introduced with any partisan purpose whatever. I have endeavoured to give the subject the most intelligent consideration that was possible for me, and also to give in the meantime as effective an administration of existing acts as it was possible to give.

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

Sections 1 to 3 inclusive agreed to.

On section 4—Commissioner of Patents.

Mr. CAHAN: It will be seen that in the redrafting for the printer there has been an obvious mistake. Clause 4 now reads:

> The governor in council may appoint a commissioner of patents who may and shall, under the minister—

I think the words "may and shall" should not both be included and I propose that the same words should be used as are applied to the same commissioner in the Copyright Act, the Trade Marks Act and other acts which the same commissioner is to administer. I would ask my colleague the Minister of National Revenue to move the following amendment:

> That in section 4, in the second line of subsection 1, the two words "may and" be struck out; and that after the word "under" in the same line, the words "the direction of" be inserted.

The clause will then read:

> Who shall, under the direction of the minister.

Mr. MATTHEWS: I move accordingly.

Mr. RINFRET: I have no objection to the amendment, but I want to say a word about the clause. By this clause the governor in council is entrusted with the appointment of the commissioner of patents. I may not be expressing the opinion of some hon. gentlemen who surround me, but personally I am not against the appointment of the commissioner of patents by the governor in council. Under my administration I was called upon myself to recommend the appointment of a commissioner of patents and copyright, the late Mr. Richard. I do not recollect exactly how that took place, although I am under the impression that the civil service commission waived their right or privilege to appoint a commissioner and informed the government of that day they would accept its own appointee. I looked up the statute and found that the commissioner of patents is not included in the list of deputies or deputy heads contained in section 2 paragraph (c) of the Civil Service Act. The commissioner of patents is not a deputy or deputy head and therefore by the Civil Service Act the appointment of that commissioner is left to the civil service commission. In practice though, I have just mentioned a case where the civil service commission was content with the government naming their own appointee. The stand I take to-day is this: I think the governor in council should appoint the commissioner of patents; I think he is an important enough civil service official that his appointment should be made by the governor in council. I understand the matter cannot be remedied in this bill, but instead of having special provision to give the government the right to appoint the commissioner of patents, I would have preferred if he had been made a deputy head under the Civil Service Act. I consider the commissioner of patents and copyright is an important enough official that he should be considered a deputy head. It may be asked why I did not have this brought about when I was Secretary of State. My only reply is that I tried to do it and probably, if the Liberal administration had lasted five years as this government has done, we might have done it. But it is my personal opinion that the commissioner of patents should be a deputy head and therefore his appointment by the government should be a matter of formality under the Civil Service Act. However inasmuch as that has not been done, for the time being I may say—and I am giving only my personal opinion—I quite agree that the commissioner should be appointed by the government and not by the civil service commission.

Mr. CAHAN: I quite agree with the hon. gentleman. I might remind him that he did attempt to make the commissioner of patents deputy head, but I found on the file that his colleague the then Minister of Justice had reported that that attempt was ultra vires. So I was forced by the opinion given by the Minister of Justice of that day to take a different attitude. This provision I think

will remove all doubts as to the right of appointment. But as to whether or not he shall be deputy head will depend upon an amendment to another act which is not now before the house.

Amendment agreed to.

Section as amended agreed to.

Sections 5 and 6 agreed to.

On section 7—Staff.

Mr. RALSTON: I see that the staff is to be appointed according to law. Is there any special provision in regard to this staff other than appointment by the civil service commission?

Mr. CAHAN: It is appointed by the civil service commission. But under the previous act the work was so increased that the government of which my hon. friend was a member, and their predecessors had to resort to orders in council in order to provide examiners and associate examiners in these classes, so I thought it better, as we have all these classes in the service, that the statute should definitely state that these shall be appointed. They are appointed, each and every one, by the civil service commission. The civil service commission acquiesced in the terms of this section for clarity only.

Section agreed to.

Sections 8 to 14 inclusive agreed to.

On section 15—Register of attorneys.

Mr. SPENCER: Is there any regulation of fees or any limit to the fees allowed to patent attorneys?

Mr. CAHAN: There are no prescribed fees in regard to patent attorneys at present. The matter has so far been dealt with by clause 16 which provides that:

> For gross misconduct or any other cause which he may deem sufficient, the commissioner may refuse to recognize any person as a patent agent or attorney either generally or in any particular case.

If any undue fees were charged and a complaint were made certainly it would be dealt with.

Mr. COOTE: Is there any provision for bonding patent attorneys, or was any consideration given that when the bill was before the Senate committee? I remember a few years ago a man coming to Ottawa from western Canada telling me of having paid several hundred dollars to a patent attorney in Ottawa, even paying him for registering the patent in the United States, and he finally found that the attorney was misusing his funds and had not registered his patent at all. I wondered whether any consideration was given by the minister in drafting the bill or by the Senate committee to the question of bonding patent attorneys for the protection of their clients.

Mr. CAHAN: The only case of that kind which has come to my attention was a case where a fee was sent to a certain patent attorney in Ottawa and the letter was mislaid and the fee was not credited until after the complaint was made to the department. When the department took it up and evidence was produced that the fee had been mailed, a complete search was made by the attorney and by his private secretary, and it was found that that letter had been accidentally mislaid. But outside of that no complaint has been made to me of malfeasance on the part of any attorneys in Ottawa practising before the patent office.

Mr. COOTE: In one case a man was in our office upstairs, and there did not seem to be any doubt of the fact that his money had been taken by a patent attorney and had been misused. I think that was admitted at the time, which was a few years ago. I wondered whether it would not be possible to require all registered patent attorneys to be bonded for a reasonable amount. It would not be a very expensive matter for them, and certainly if many cases like the one I heard of have occurred some protection should be afforded to the public in that way.

Mr. CAHAN: If the hon. gentleman had brought such a case to the notice of the department during my regime I am sure we would have looked into it and obtained restitution of any fees improperly applied. I do not think it is necessary to go to the extent of bonding patent attorneys in Ottawa. The administration of the department is honest. In any cases which may arise the governor in council and the minister have ample authority to deal with any abuses.

Mr. COOTE: It is a little difficult to hear, and I would like to be sure; did the minister say that he has the power to deal effectively with any case of that kind which might occur?

Mr. CAHAN: I feel sure that we have, because the minister can refuse the attorney access to the patent office thereafter, may strike him off the list, may in fact disbar him as far as the patent office is concerned. Any patent attorney, rather than incur such chastisement, would certainly restore any fees which he had received, which fees are usually very modest indeed.

Mr. COOTE: I do not feel that I can prolong the discussion on this point, but I suggest to the minister that the measures which he has said he can use remind me of the old case of locking the door after the horse is stolen. From the statement the minister has made I do not think they would have any power to see that any man who had lost money by giving it to a patent attorney who did not use it properly would be able to get it back or get a proper accounting for the money.

Mr. CAHAN: As far as I know and as far as the deputy knows there has been no case in five years in which any patentee or applicant for a patent has lost any money in the way mentioned.

Mr. SPENCER: Some years ago a case was brought to my notice of a man in western Canada who had invented a very clever device, and sold it to a man simply on a matter of promissory notes. This second man came to Ottawa and got some patent attorney to take up the case, and although application had been made by the first applicant the attorney managed to get a patent for the second man before the first man had a chance. I think in such cases the patent attorney should be strictly dealt with. The original inventor failed eventually to get his patent, did not even get any money at all for it. He not only lost the patent, which was given to the second man, but the man who had done all the work was at a complete loss in every way.

Mr. CAHAN: As I said to the other hon. member who spoke, it was only under one of the amendments passed in 1932, that complete jurisdiction was taken over the patent attorneys who are practicing at the patent office. Under the amendments during very recent years, therefore, we have complete jurisdiction over these patent attorneys and I think that in that respect the act is working very satisfactorily indeed.

Section agreed to.

Sections 17 to 25 inclusive agreed to.

On section 26—Who may obtain patents.

Mr. CAHAN: There are two amendments to this section.

Mr. SUTHERLAND: I move that subsection (2) of section 26 be amended by striking out the words "any person" in line 16 and by substituting therefor the words:

any inventor or his legal representative

Amendment agreed to.

Mr. SUTHERLAND: I move that clause (b) of subsection 2 of section 26 be struck out, and the following substituted therefor:

(b) within twelve months after the filing of the first application for such patent in such other country or in any of such other countries.

Mr. RINFRET: I read the notice of these amendments that appeared in the votes and proceedings of April 10. Perhaps the minister will just indicate in a few words what is the purpose of the amendments.

Mr. CAHAN: As a matter of fact in April I did give notice of certain suggested amendments. Members of this house and others throughout the country read those suggested amendments and suggested that clearer statements might be made. Clause (b) of subsection (2) of this section reads as follows at present:

(b) within twelve months after the filing of the application, or of the first application, as the case may be, for such patent in such other country or countries.

Those who were before the Senate committee have agreed that this can be more clearly stated in the words of the amendment, which amount to exactly the same thing.

Amendment agreed to.

Section as amended agreed to.

On section 27—Treaty or convention rights of applicants.

Mr. COOTE: Might I ask if there is more than one treaty or convention relating to patents which bind Canada in this connection?

Mr. CAHAN: There is one convention, to which Canada originally adhered. At subsequent meetings of the parties thereto certain amendments have been made, and unless the amendments proposed at subsequent meetings are adopted by Canada the old convention remains in force according to its terms. Canada has acceded to each amendment so far made with the exception of those that were suggested at the meeting of the representatives of those countries held in London last July. This act will enable Canada to carry into force such amendments as were proposed at that meeting if the government of Canada adheres to the amendments so adopted.

Mr. COOTE: Might I ask whether Canada could abrogate her adherence to that treaty by giving notice? What are the provisions in that regard?

Mr. CAHAN: The treaty to which Canada is a party is the convention that was signed at The Hague on the 6th November, 1925. That is the last convention to which Canada

adhered and the Canadian ratification was deposited on the first of May, 1928. This convention has been before this house and I think is available at the distribution office unless the supply there has been exhausted. Article XVII bis provides:

> The convention shall remain in force for an unlimited time, till the expiry of one year from the date of its denunciation.
> This denunciation shall be addressed to the government of the Swiss confederation. It shall only affect the denouncing country, the convention remaining in operation as regards the other contracting countries.

So one year's notice is necessary.

Section agreed to.

Sections 28 and 29 agreed to.

On section 30—Address of applicant and representative to be stated.

Mr. CAHAN: There is a slight error in this section: I do not think it requires a motion. In the eighth line these words appear:

> Such name and address of such person so appointed—

I suggest that the first "such" should be changed to "the." It would then read:

> The name and address of such person so appointed.

I believe that would be better English. I think this is a misprint.

Section as amended agreed to.

Sections 31 and 32 agreed to.

On section 33—Improvements may be patented.

Mr. SPENCER: May I ask the Secretary of State if many of the suggestions he made when the bill went to the senate were not accepted by that chamber?

Mr. CAHAN: As a matter of fact, after frequent sessions day after day covering a period of several weeks the amendments as adopted and the bill as it issued from the Senate met with the unanimous approval, I think I may say, of all parties interested who appeared before the committee from any part of the country. As my hon. friend will recognize, many of these amendments were drafted hurriedly, and in two or three cases only they were drafted in obscure terms. The amendments I am suggesting to-day are by way of clarification only, without affecting in any degree the decisions arrived at before the Senate committee, which so far as I am aware were unanimous.

Mr. SPENCER: I take it that the main principles the Secretary of State aimed at were accepted by the Senate.

[Mr. Cahan.]

Mr. CAHAN: I think with the exception of one contention which simply relates to the substitution of an "and" for an "or" that they were finally adopted by the Senate committee and the Senate, and I think they were approved by all who appeared before the committee as being a fair and equitable adjustment which should be left for satisfactory experiment.

Mr. SPENCER: May I ask the Secretary of State to what exception he has referred?

Mr. CAHAN: There is one section in this bill in which the substitution of the word "and" for the word "or" has a very great significance. It has reference to the patenting of the substance which is the result attained by a patented process. The matter is referred to in section 40 of the bill, and perhaps the hon. member would be content to discuss it when we reach that section.

Mr. SPENCER: Yes.

Section agreed to.

Section 35 agreed to.

On section 36—Examination.

Mr. GERSHAW: Possibly my question does not come under this section, but I should like to ask the minister if he has any control over so-called patent attorneys. A number of people advertise in the papers as being patent attorneys. Inventors have confidence in their own invention and often support that confidence with a good deal of money. In many cases nothing comes of the expenditure. I have known several inventors who have lost large sums of money and whose inventions have not become saleable. Has the minister any control over such matters?

Mr. CAHAN: If the hon. member would look at sections 15 and 16 he would find that the commissioner, under the direction of the Secretary of State, has complete control. As a matter of fact, upon making examination of the manner in which some of these attorneys were conducting their business and particularly the sort of advertising they were doing a considerable number of names have been omitted from the list. I believe the supervision and control is quite sufficient to eliminate evil and pernicious practices.

Section agreed to.

On section 37—Divisional applications.

Mr. RINFRET: I understand that this is a new clause, and that it points out that from now on patents shall be granted for one invention only. Perhaps my question is

somewhat technical, but it sometimes happens that inventions are complex, and although an invention may be for one purpose it may comprise different new parts. In such event would it be necessary for an inventor to obtain patents for each part of the invention?

Mr. CAHAN: I am afraid I could not answer the question in that indefinite way. An application shall be made for only one invention, and the patent shall issue for one only. If it is disclosed however in the course of investigation with respect to an application that two inventions are involved, then there will be an issue of a separate patent for each invention and each invention will be treated on its own merits. But a practice which has sometimes prevailed for the purpose of confusing officials and the public, namely that of making one application for several inventions, is now discouraged.

Section agreed to.

Sections 38 and 39 agreed to.

On section 40—Chemical products and substances.

Mr. CAHAN: I shall now make an explanation of the point raised by the hon. member. In the second line of section 40 the word "and" now appears. An amendment substituting "and" for "or" was made some years ago when the Patent Act was before this house for revision. Its significance is that when the war broke out the British government found that certain chemical products were controlled under German inventions, and that the disclosures made at the time the applications for patents were pending at the British patent office were not sufficient to enable the British government, after the patents were forfeited, to manufacture or produce the same substance. Under the method which had prevailed prior to that date if an applicant received a patent for a chemical process the patent included the product produced by that process. The British authorities did not agree to continue that provision of their law, namely that the patenting of a process would ipso facto confer a patent for the substance produced by the process. This parliament decided otherwise at a previous revision. Now if a patent of a process is obtained in Canada, then that patent extends and applies to the product produced by that process. That does not obtain in England, but I believe in other countries the patent applies to the product.

After a discussion lasting one or two days the committee of the Senate decided that as parliament knowingly and wittingly had come to a decision in 1918 to that effect, and as that provision had been continued and maintained throughout the subsequent years it was inadvisable to make an innovation in our law with respect to it. So that if a patent is secured by a process over a certain substance thereby produced, then in Canada the product is also patented unless it is otherwise produced, and the assumption is that when it is produced it is produced by the patented process unless the contrary be absolutely shown in the courts.

Mr. SPENCER: I would ask the Secretary of State if it has been found that many countries do not recognize the patent laws.

Mr. CAHAN: I think all the leading countries of the world are now parties to the same convention to which we are a party. I could easily look up the list. There are four pages of signatories to this convention.

Mr. SPENCER: Do they live up to the spirit of the agreement?

Mr. CAHAN: I think they try to. We have had no complaints whatever during the last five years from Canadian patentees, that is, from patentees resident in Canada, that on applying to foreign patent offices they have not received their just rights under the terms of the outstanding convention. Complaint has not been made in five years.

Mr. GARDINER: Arising out of the explanation which the minister has just given with reference more particularly to chemicals produced by a patented process, what would happen in the case of a certain chemical that had been produced by one process if another patented process came into existence? Would the one receiving the patent have the control of that product irrespective of the fact that the product might have been produced by different methods prior to the granting of that patent?

Mr. CAHAN: Under our law as it has stood for some eighteen years it is assumed that if the product produced is identical, then that it is produced by the patented process which produces that substance. I see what is in the hon. gentleman's mind. We fought that out for days, but we have decided to maintain the law as it is, and any arguments to the contrary did not prevail.

Mr. GARDINER: With further reference to that matter, Mr. Chairman, even if a company has received a patent for a certain process of manufacturing a certain drug or chemical, in the event of this drug or chemical being produced by other processes it does

appear to me to be ridiculous merely because of the fact that this company gets a patent for a new process of producing this commodity, that it should be given patent rights over the whole commodity. That seems ridiculous to me.

Mr. CAHAN: The difficulty is in ascertaining the facts. We have excluded from the operation of the act all chemical processes of producing products which are intended for food or medicine, except as specifically provided in subsection 1. Subsection 2 says:

(2) In an action for infringement of a patent where the invention relates to the production of a new substance, any substance of the same chemical composition and constitution shall, in the absence of proof to the contrary, be deemed to have been produced by the patented process.

That is an assumption which is created by statute, and the final judgment of the Senate committee was that that was a fair assumption under the circumstances. Of course, that assumption may be rebutted by positive evidence.

Section agreed to.

On section 41—Refusal by commissioner.

Mr. RINFRET: This is a new clause? I understand that by this clause the commissioner when he is satisfied that the applicant is not by law entitled to a patent may refuse it. At first sight it might be asked why that was not in the old act. In my opinion it was because it did not seem desirable to give the commissioner the discretion of deciding a point of law, but I understand now that if the commissioner is satisfied that the applicant is not entitled to the patent he may refuse it. The commissioner decides and passes on that himself. Is not that giving him too large a discretion?

Mr. CAHAN: I do not think so. Section 41, which is new, prescribes that when the commissioner does refuse a patent he shall give notice by registered letter addressed to the applicant or his registered agent, notifying such applicant of such refusal and of the ground or reason therefor. That is new. The practice has been simply to notify the refusal. Now he notifies the refusal and gives his ground or reason for the refusal, and thereupon, as heretofore, the applicant has the right of appeal to a judge of the exchequer court for a final decision.

Mr. RINFRET: The applicant has no appeal under any further section?

[Mr. Gardiner.]

Mr. CAHAN: Oh yes. The applicant can always appeal over the refusal.

Mr. RINFRET: I see that is provided in section 43.

Section agreed to.

Sections 42 to 44 inclusive agreed to.

On section 45—What patent shall contain and confer.

Mr. SPENCER: Would the Secretary of State kindly give us an interpretation of this section?

Mr. CAHAN: The section reads:

Every patent granted under this act shall contain the title or name of the invention, with a reference to the specification, and shall, subject to the conditions in this act prescribed, grant to the patentee and his legal representatives for the term therein mentioned, from the granting of the same, the exclusive right, privilege and liberty of making, constructing, using and vending to others to be used the said invention, subject to adjudication in respect thereof before any court of competent jurisdiction.

The only new provision there is the words underlined, "in this act prescribed." This section has been the basis of the patent law of Canada for all time. The only change is that we have introduced entirely new conditions with respect to the manufacture and sale, and the price at which the article is sold, and therefore to make it clear that the grant of the patent would confer no overriding rights the words were introduced "subject to the conditions in this act prescribed," so that the conditions subsequently stated and prescribed in the act will apply notwithstanding the terms at which the patent is granted.

Mr. SPENCER: Is there anywhere in this act a limit put on the special profits that can be charged on account of the patent?

Mr. CAHAN: Section 65 on page 25 imposes certain terms and those are the terms prescribed, as referred to in the section now before the committee. For example, paragraph (c) of subsection 2 provides:

If the demand for the patented article in Canada is not being met to an adequate extent and on reasonable terms;

These terms include price, conditions of sale, use and the rest.

Mr. SPENCER: Who decides what reasonable terms are?

Mr. CAHAN: There is a long provision which we shall reach in a few moments in regard to the patent. The commissioner may make full inquiry, at the instance of any

party, and may make a finding, but that finding is subject to appeal to an exchequer court judge. So that the exchequer court judge has the final adjudication in the matter.

Mr. COOTE: Section 45, which we are now discussing, makes it possible for certain corporations to obtain an absolute monopoly of certain things which are in general use in Canada. It grants "the exclusive right, privilege and liberty of making, constructing, using and vending to others," and so on. Nothing has been left out which would grant them the very widest and most exclusive rights of every kind. I should be very much obliged if the Secretary of State would explain why it is advisable or necessary to give any patentee the exclusive right of vending to others any invention. Surely when he has the exclusive right of making, constructing and using any invention the right to vend it might be left open. It may be that there is some good reason for putting in this provision, but I have never yet been able to understand why any patentee should be given the exclusive right of vending to others. If he can set the price on the article that ought to be enough.

Mr. CAHAN: A patent is a monopoly and it is in the terms a complete monopoly; it always has been a monopoly since the days that patents were first granted by the crown or by any governmental authority. It is a monopoly and a subsisting monopoly, and one which by international convention we are bound to maintain within certain limits prescribed by the convention. What we have done in section 45 is to grant a monopoly, but we grant it subject to the conditions in this act prescribed; and in the subsequent sections we have gone as far as any act in existence of which I know, or to which I can gain access and prescribed conditions which would relieve such monopoly of its most prejudicial features. I have gone as far as I can.

Mr. COOTE: For my part I object to section 45. Possibly when we have seen the conditions to which the minister refers and which appear in subsequent sections we shall find this section less objectionable; it may be that I shall be convinced then that the section is all right. At the moment, however, I am very much opposed to giving this exclusive right. The right to vend is particularly objectionable. I do not see why we should use all the powers of the state to grant such a monopoly. We are extending a great privilege to any inventor when we patent his invention and safeguard it so that he gets a reasonable reward for his work and we prevent anyone from robbing him of the benefits of the invention. But to grant him the exclusive right to vend it to the general public is objectionable. Are we required by the international convention to put in these words or words to this effect in our Patent Act?

Mr. CAHAN: Undoubtedly we are. If parliament decides at some time or other to give a year's notice and withdraw from the convention, that is a matter for discussion and decision, and such a decision would be very farreaching. I may assure the hon. gentleman, however, that having granted the patent, as prescribed by this section,—and the section is no more farreaching than the Patent Act of the United States or of Great Britain or of France—then we have gone as far as we may under the convention in prescribing the working conditions for the purpose of rendering the monopoly as—

Mr. COOTE: As innocuous as possible.

Mr. CAHAN:—as prejudicially inoperative as possible.

Mr. GARDINER: Seeing that this is the really important section, or one of the most important sections, will the minister say that the subsequent sections containing the conditions under which the patent may be granted will take care of the situation outlined this afternoon by the hon. member for East Kootenay on the second reading?

Mr. CAHAN: I understood the statements of the hon. member for East Kootenay to refer to abuses which had arisen with respect to the existing Patent Act, and of those abuses I am fully advised; I have been aware of some of them for five years. We have gone as far as we can, in drafting this bill, to provide ways and means of obviating these abuses and we have prescribed remedial measures. I found no lack of disposition on the part of the Senate committee to deal with such abuses, but we took the very best legal advice available and decided that we really could not effectively go further than the British parliament had done in prescribing remedies for the same abuses. The others are clauses 64, 65 and 66; those are the entirely new provisions which we have introduced. It will be noticed that there is down the left margin a long black line from page 23 to page 29 covering clauses 64, 65, 66, 67, 68, 69 and 70. Those clauses are entirely new to Canadian legislation.

Mr. STEVENS: I have been waiting patiently until we got to those clauses to which reference has just been made, but I would not like the impression to exist that those clauses not yet under discussion adequately deal with the points raised, because to my mind they do not and I am prepared, when the proper time comes, with the permission of the chair to discuss the matter. But if we are to discuss it now, I would also like to have the privilege of expressing my views at this stage. However I submit it would be better to discuss the question when we come to the clauses. I want to say definitely that the clauses mentioned do not adequately deal with the matters to which I referred on the second reading.

Mr. GARDINER: Will the minister object to the clause standing until we go through the conditions under which patents are issued? We can come back later to clause 45.

Mr. CAHAN: I do not think clause 45 should stand because it is necessary to a patent act and we cannot change it except by abrogating our international obligations. But I was not discussing clauses 64, 65, 66 or 67; I was simply answering a question courteously asked so as to indicate those other clauses to which I have referred as dealing with the prescribed conditions. I think clause 45 should pass. Let us deal with the other clauses when we come to them.

Mr. RINFRET: I think the hon. member for East Kootenay is quite right. There is nothing new in clause 45 except that it states that from now on that clause will be subject to the conditions prescribed in the act. So I think it would be quite proper if we discuss the new conditions when we reach them, that is when we reach the clauses at the end of the bill. Clause 45 is merely an adjustment clause, nothing else.

Mr. COOTE: Those of us who are not very familiar with the Patent Act may admit that there may not be anything new in clause 45, but perhaps there should be something new. We are drafting a new act, and I would like to raise the question in committee as to whether, when we are passing a new act, we should not correct some of the mistakes or abuses that have crept in under the old act. I think the wording is very objectionable and is one reason for some of the monopolies existing in Canada; the bill says that the patentee is going to have the exclusive right, privilege and liberty not only of making, constructing and using the patent but even of vending it to other people. He is to be able to set down the conditions of sale, whether the article can be used or not after it is available for sale. He might set down certain conditions which might prevent anybody from making any use of the article. That is how I interpret those words. If my interpretation of them is wrong I hope the Secretary of State or his predecessor in office may give some better explanation of them. What is meant by the exclusive right of vending to others anything in Canada that has been patented? I would like to know that.

Mr. CAHAN: The words are clear to any person who understands the English language.

Mr. COOTE: If I understand the English language it means that the patentee can set down all the conditions of sale absolutely and the people of Canada are helpless.

Mr. CAHAN: He can, subject to the conditions prescribed in this act.

Mr. COOTE: The prescription ought to be very close to clause 45, because anyone who reads it would take it that the patentee has the exclusive right and might not scan very carefully the four or five pages at the back of the bill.

Mr. CAHAN: You have to take the bill as a whole.

Mr. COOTE: As far as I am concerned, if clause 45 passes, it should pass on division.

Section agreed to on division.

On section 46—Patents for inventions by persons in public service.

Mr. COOTE: Is there any change in this clause?

Mr. CAHAN: The changes are all noted by underlining the words.

Section agreed to.

Section 47 agreed to.

On section 48—Term of patent.

Mr. GARDINER: Was any consideration given to any other term than seventeen years for the life of a patent? What is the usual procedure in other patent acts the world over? Is the period seventeen years or is there any difference?

Mr. CAHAN: It had been eighteen years in Canada and it has been so in certain other countries. Seventeen was a mean figure; we reduced the term from eighteen to seventeen years.

Mr. GARDINER: Does the minister remember any other country where the term of life of a patent is much less than ours? What is the shortest number of years in any other patent law in any other country?

Mr. CAHAN: I remember we had the case before us of one country in which the term at the time was sixteen years. I contended that eighteen years was perhaps too long a period, and finally it was agreed in the Senate committee that with regard to all future grants the term should be seventeen years. We provide however in subclause 2 of clause 48 that with respect to those applications which had been filed before the coming into force of this legislation, the original term of eighteen years should be adhered to.

Section agreed to.

Sections 49 and 50 agreed to.

On section 51—Assignee or personal representatives may obtain patent.

Mr. CAHAN: To this clause there is an amendment which I think will commend itself to the committee. It is in subclause 3 which reads:

No such assignment shall be registered in the patent office unless it is accompanied by the affidavit of a subscribing witness or established by other proof to the satisfaction of the commissioner that the assignment was signed and executed in his presence by the assignor.

That draft failed to take into consideration that in most of what I may call the Latin countries, the authentication of a document is made by a notary and we should recognize that, so that I am suggesting this change which will be moved by my colleague, the Minister of National Revenue:

That subsection 3 of section 51 be deleted and the following substituted therefor:

No such assignment shall be registered in the patent office unless it is accompanied by the affidavit of a subscribing witness or established by other proof to the satisfaction of the commissioner that such assignment has been signed and executed by the assignor.

So that if it had been subscribed before a notary in France or Italy, or in the province of Quebec, the commissioner would be satisfied.

Mr. MATTHEWS: I move accordingly.

Amendment agreed to.

Section as amended agreed to.

On section 52—Patents to be assignable.

Mr. CAHAN: To clarify the section, there is another amendment to the same effect, as follows:

That subsection 3 of section 52 be deleted and the following substituted therefor:

No such assignment, grant or conveyance shall be registered in the patent office unless it is accompanied by the affidavit of a subscribing witness or established by other proof to the satisfaction of the commissioner that such assignment, grant or conveyance has been signed and executed by the assignor and also by every other party thereto.

This would permit of execution before a notary.

Mr. MATTHEWS: I move accordingly.

Amendment agreed to.

Section as amended agreed to.

Sections 53 to 60 inclusive agreed to.

On section 61—Prior inventor must disclose his invention to establish priority.

Mr. CAHAN: There is a change in that. Clause (b) deals with two things. First, it must be established that:

before the issue of the patent, such other inventor has made application for a patent in Canada or in any other country ...

And then it goes on to deal with two specific things. I thought it better for the sake of clarity that we should divide subsection (b) into two paragraphs, so that the amendment will be:

That in section 1, subsection 1, clause (b) be deleted and the following substituted therefor:

(b) such other inventor had, before the issue of the patent, made an application for patent in Canada upon which conflict proceedings should have been directed;

That deals with one particular phase of it.

or that

(c) such other inventor had at any time made an application in Canada which by virtue of section 27 of this act had the same force and effect as if it had been filed in Canada before the issue of the patent and upon which conflict proceedings should properly have been directed had it been so filed.

That deals with the two separate things by two separate paragraphs. I submitted that to the attorneys who were discussing it before the Senate committee, and it is agreed that this makes for greater clarity.

Mr. MATTHEWS: I move accordingly.

Amendment agreed to.

Section as amended agreed to.

Section 62 and 63 agreed to.

On sections 64 and 65—Conditions.

Mr. STEVENS: May I suggest that clauses 64 and 65 be considered together because the remarks I would like to make concerning them will more or less run together. If it is not contrary to the rule I would like to refer to both clauses.

Mr. CAHAN: I do not think there is any objection.

Mr. STEVENS: What I am about to say I say without any reflection upon anyone, the Senate committee that considered this bill or anyone else. But the new law as it stands is in fact actually weaker in respect to the matter to which I refer than was the old law. In order that we may have a better appreciation of this point, which I might describe as the use of the Patent Act to obtain additional customs protection by holders of patents, I would like to read a letter which certain attorneys, Messrs. Macfarlane, Thompson & Littlejohn of Toronto, acting for the Canadian General Electric Company, wrote to a firm in Vancouver, and there was also a similar letter to one in Ottawa and one in New Brunswick that came to my attention. In the body of the letter there appear some sixty-two very long numbers of patents, which I will not read, but with the consent of the committee will include in the record. This indicates how complicated these matters may become. The letter is dated Toronto, May 14, 1934, and reads as follows:

Re Canadian General Electric Incandescent Lamp Patents

Our clients, the Canadian General Electric Company, Limited, have instructed us to request you to discontinue the purchase and sale of incandescent electric lamps, which they are informed you are merchandising and which are an infringement of Canadian letters patent which they own, covering drawn wire, tungsten filaments, incandescent lamps, together with leading-in wires for the same, among which patents are the following:

167,329,	176,742,	185,854,	189,568,	198,329,
223,518,	173,027,	231,645,	253,489,	169,276,
177,227,	185,855,	190,194,	209,751,	223,516,
182,730,	235,407,	166,120,	177,881,	186,072,
192,772,	197,329,	223,517,	184,875,	239,865,
214,160,	166,536,	176,010,	182,732,	188,141,
197,330,	188,091,	202,296,	244,346,	212,365,
166,121,	179,117,	209,752,	252,159,	265,866,
272,154,	274,027,	276,080,	280,161,	280,166,
280,346,	285,331,	285,338,	169,936,	288,139,
290,355,	292,544,	293,975,	293,977,	293,979,
293,982,	295,524,	297,598,	297,599,	298,832,
298,834,	299,533.			

At the present time, the only manufacturers licensed and authorized to manufacture lamps under these patents are:

Canadian General Electric Co. Ltd.
Canadian Westinghouse Co. Ltd.
Canadian Laco Lamps Limited.
Service Lamp Co. Ltd.

Our clients allege that you have been handling lamps of American manufacture which they assert are an infringement of the above letters patent, and examination of said patents will no doubt satisfy your solicitors and yourselves of the position of our clients in this matter. Accordingly we will appreciate your early reply that in view of the same you have discontinued the purchase and sale of lamps which infringe the said patents.

Failing to hear from you by Monday, May 28th, we have received definite instructions to commence proceedings in the exchequer court of Canada for the protection of our clients' interests under their patents, and for the recovery of damages which they may have sustained through your merchandising lamps which infringe said patents.

Yours very truly,
MacFarlane, Thompson & Littlejohn.

It will be noted that the complaint is that they have been handling lamps of United States manufacture, and the second point is that they have been merchandising lamps, not manufacturing, not infringing on the rights of others, but simply merchandising or selling. Their third assertion is that this is an infringement of the letters patent. I direct the attention of the committee to the extract I read from the investigation of the federal trade commission of the United States. I intend to repeat only part of it. It will be noted that this investigation has this to say:

The members of this international organization exchange patent rights, manufacturing processes and other "trade secrets." This exchange is characterized by a division of territory, each company granting to the other exclusive rights in specified countries.

I ask the committee particularly to notice those words. Further it says:

Such agreements practically eliminate any competition of a serious nature. For example, in the case of light bulbs, in so far as Canada is concerned no independent manufacturer can either manufacture or sell in Canada without being liable for suit for infringement of patents which are owned by the larger organization.

My submission in the first place is that the contention of this firm of solicitors, acting for the Canadian General Electric incandescent lamp patent, is really based upon this international agreement rather than any bona fide infringement of the law, as I shall try to show in a moment. In other words, this company in conjunction with the General Electric in the United States and the other companies that form this international cartel have farmed out the territory of the world, Canada being farmed out to these four firms I have mentioned, and any one who impinges upon the limitation of territory decided by the cartel is penalized by our courts through the Patent Act. The powers of the Patent Act that they invoke are, I submit, very narrow. As I read the correspondence and dealt with some of these cases when I was in the Department of Trade and Commerce I was amazed to find the extent—I do not want to be offensive;

I almost said the audacity—to which these Canadian firms used the law for their own purposes. I am not speaking now, shall I say, in any privileged place, because I had a talk with the general manager of the Canadian General Electric Company who in my presence frankly took the position that he was quite entitled to all the advantages of the law that he might desire. I put to him the point I raised here; I said, "For the moment I am not concerned with the infringement of patents from a bona fide standpoint. What I am concerned with is your use of the patent law to obtain an additional one hundred per cent protection." That is the point with which I am concerned, and he was unable to show me that his prices were not as I have indicated, namely, sixty cents for a given article with a discount of five cents to certain buyers, and therefore fifty-five cents to some, whereas a similar article after having discharged all the obligations under the patent laws of the United States—to the same company, by the way, and its affiliates—with regard to royalty and so forth, having strictly observed the law and having paid the Canadian customs duty, could be sold in this country for twenty-six cents.

It is obvious that in Canada the companies are taking advantage of, first, the agreement parcelling out the territory and then of the patent law in order to make those agreements good, thus penalizing the importer. There was the case of a gentleman in Ottawa named Feldberg. A judgment was obtained against him without his knowledge; his solicitor, the late Moses Doctor, died; a judgment was obtained against him for some $160, I think, and he was precluded from dealing in these articles. There was also a firm down in New Brunswick who took up the matter with me and with others; they were faced with the proceedings I have mentioned here.

For the moment the point I wish to emphasize is this: powerful institutions possessed of, and capable of possessing themselves still further of, certain inventions are thus able to preclude what might be called a reasonable traffic in these things, and to maintain an unwarranted price. The minister says these matters are adequately dealt with in sections 64 and 65 of the bill. I invite the committee to follow me for a moment; I will try to make my statement clear and not too lengthy. It will be seen that section 64 takes the place of section 40 of the old act, and I should like to indicate what the old act contained and how it provided for this situation. I will admit that the provision was not put into operation and therefore was not made effective, but there were certain powers contained in section 40 of the old act, as follows:

> Every patent, except those governed by the provisions of this act relating to the granting of patents to persons in the public service, shall be subject to the following conditions:—

Then it goes on:

> (b) Any person interested may present a petition to the commissioner alleging that the reasonable requirements of the public with respect to a patent invention have not been satisfied or that the patentee has failed to manufacture adequately the patented invention in Canada, and praying that the patentee be ordered to supply the patented article at a reasonable price or grant licences for the use of the invention on reasonable terms.

Note those words. Then the commissioner shall consider the petition, and the section continues:

> —shall proceed to hear and determine the matter, and if it is proved to his satisfaction that the reasonable requirements of the public with respect to the patented invention have not been satisfied or that the patentee has failed to adequately manufacture the patented invention in Canada, the patentee may be ordered by him—

Note these words:

> —to supply the patented article within reasonable limits at such price as may be fixed by him and in accordance with the custom of the trade—

I quote further:

> —or to grant licences for the use of the patented invention as may be fixed by him—

Later it provides:

> —the commissioner may, with the approval of the minister, instead of hearing and determining the matter himself, refer the petition to the exchequer court, which shall have jurisdiction in the premises and may make such order thereon as the commissioner is authorized to make under this section.

I pause to direct attention to this: Under that old section the commissioner did have certain powers. I state very frankly that I do not think they were used very extensively, but if it were found that there was an abuse by a patentee with regard to price he had power to order the supply of the patented invention within reasonable limits at such price as might be fixed by him, and further it might be taken to the exchequer court. Unless I am corrected in this—and I welcome correction if I am wrong—the question of the exchequer court is excluded from the new sections. I shall now read section 64, and although I shall not attempt to read the whole of it I shall read so as to get the sense of it.

> The commissioner may ... require the patentee ... to transmit and deliver to the

commissioner within sixty days from the date of such notice, or within such further time as the commissioner may allow, a return stating:—

(a) whether the patented invention is being worked on a commercial scale in Canada, and the place where the name and address of the person by whom the patented invention is being so worked; and

(b) the reasons, if any, why such patented invention is not being worked ...

And so on. That is substituted for the clause to which I previously referred. It will be noted that section 64 does not meet the case in anything like the degree that the deleted section 40 of the old act did.

I now come to section 65, to which considerable reference has been made this afternoon. Section 65 reads in part as follows—and I would ask the committee to note it carefully as I proceed:

The attorney general of Canada or any person interested may at any time after the expiration of three years from the date of the grant of a patent apply to the commissioner alleging in the case of that patent that there has been an abuse of the exclusive rights thereunder and asking for relief under this act.

I pause there. In the first place it will be noted that such application can be made only after three years. It may be argued that that is not unreasonable, but I ask, Mr. Chairman: Why the limitation of three years? I want the committee to note this point—and this is known by all patent attorneys; it is known well by all those who engage in or are dealing with patents—that in the case of an article such as an electric light bulb, or in fact any other article of that type, there are constant new parts or patents or inventions being made.

I hold under my hand a statement giving a list of these numbered patents to which I formerly referred. I shall read only a few so as to indicate their variety. Hon. members will recall that the notice given to the dealer who imported was given under a certain list of 62 patents which were therein named. These 62 patents covered articles along these lines—and I shall not read all of them, because they are contained on two full sheets of foolscap; I shall read only a few so as to give the committee an idea of their complicated nature. They are sealing-in wires, methods of making tungsten wires, metal filaments, incandescent lamps, tungsten alloys, electrical lamps, base for incandescent lamps, filament supports, process of manufacturing non-sagging helical bodies of highly refractory metals—that's a mouthful. Then the list goes on: Multiple of incandescent lamps, tipless incandescent lamps, process for sealing in wires, appliance for forming filaments, stem making machine, tipless incandescent electric lamp, and so on.

I shall not read them all. The point is that if during the period of three years or about the expiration of that time another patent is added to those entering into the manufacture of the lamp, then the individual cannot apply for another three years. And if during that three years another patent is secured and applied to the manufacture of this lamp he is put off for another three years. I am told by competent authorities that that three year clause in the bill virtually make impossible the steps indicated in subsection (1) of section 65.

If the committee were interested I could outline others of these patents. They run from 1916 down to the present date. Almost every intervening year between 1916 and 1933 showed patents invoked in the courts by this company to stop the firm in question from selling the lamps. I am not dealing with theory; I am dealing with cases. Mr. Chairman, is it not recognized by the committee that when you say the attorney general of Canada or any other person may at any time after the expiration of three years make application that the likelihood or possibility of doing that is practically nil?

Now we shall proceed with the section, from that point. Subsection (2) reads:

The exclusive rights under a patent shall be deemed to have been abused in any of the following circumstances.

I shall not read them all, because most of them are designed very definitely to protect the rights of patentees and do not constitute a protection of the public. I am not complaining about that but I merely dismiss the subject with that statement. One paragraph to which the minister referred a while ago I shall read, however, namely paragraph (c) of subsection 2.

(2) The exclusive rights under a patent shall be deemed to have been abused in any of the following circumstances:—

(c) if the demand for the patented article in Canada is not being met to an adequate extent and on reasonable terms.

I direct the attention of the committee to the expressions "adequate extent" and "reasonable terms." What chance has any person to demonstrate those conditions when he is opposed by four great corporations, two of which are very large and two somewhat smaller. I submit that the possibility of proving that the public are not being adequately supplied would be impossible, because the chances are they would be. Then,

"reasonable terms"—what are reasonable terms? I submit that this abuse has been going on, and that a price of sixty cents is not a reasonable term. However it is allowed to go on, and nothing is done. Under the old act there was power to deal with the matter, but nothing was done. Attention was called to it, and still nothing was done. Therefore I say I am justified in stating to-day that the difference between thirty cents for the imported article, after paying the duty, and sixty cents for the domestic article is considered in Canada reasonable terms. I submit those are not reasonable terms, and that any company in Canada which receives a protection of 40 per cent should be able to operate on that basis. In the present instance I believe the protection is 40 per cent; the Minister of National Revenue has the tariff at his fingertips, and he will correct me if I am wrong. Surely that is sufficient protection for any concern in Canada manufacturing incandescent lamps. I do not object to protecting Canadian industry, having in mind the extent of the American market as compared with the Canadian market, and the cost of mass production as compared with more limited production. I have no objection to that at all, but I do submit that 40 per cent is sufficient. I go further, however; if it is not sufficient, then let us put the protection in the customs tariff, where it ought to be. Let us come before parliament, raise the tariff and give our reasons for it. But do not give permission to a great corporation or group of corporations to secure a protection amounting to 150 per cent or 200 per cent, in the guise of a patent right.

One point further: It will be noted that so far as I can find this is the only protection taking the place of the old act. I confess that I am a layman and am not supposed to understand the law, but so far as I can understand it I can find no obligation resting upon the commissioner to whom this application is to be made to give any decision in the matter at all. It may be there, but so far as I have been able to read it, I cannot find where the commissioner is called upon to make any finding in the matter. It must be remembered that the appeal is by the attorney general of Canada or by any interested person to the commissioner of patents. That is the form of the appeal, and it must be proved that the products are not sold on reasonable terms. But there is no obligation on the commissioner to do anything in the mattar at all. What I submit is that so outstanding and so glaring is this abuse of the patent law that there ought to be in this new act a very definite section, something that will be beyond all cavil and beyond all possibility of evasion that will deal with this situation. This is not the first time that I have had this matter up, and I do urge now as a member of this house, as I have done before, that this committee should before this bill passes take the necessary steps to have this abuse of privilege removed and reasonable protection given to the consumer in regard to this matter and, of course, in regard to other matters to which for the moment I do not choose to refer.

Mr. BLAIR: I am sure, Mr. Chairman, that we all appreciate heartily what the hon. member for East Kootenay (Mr. Stevens) has just said because it means so much to the Canadian people. Patents are a great handicap on our industries in this country. They are similar in their effects to an excessive tariff from which we receive no revenue. There are in this country subsidiaries of large American firms. Go to some of the smaller shoe factories in Toronto, for instance, and inquire what machines on the floor of their factory they own. You will find that in many of our Canadian cities our factories are using American machines and on that machine they pay royalties. The royalty is of two kinds: one is a time royalty and the other is a utility royalty, and in case the firm sells shoes below a certain price the American firm has the power so to adjust the time royalty or the utility royalty as to fix the price at which those shoes shall be sold. We are at the mercy of these large American concerns with subsidiaries in this country, just as the hon. member has said. They have their hand on the levers of our factories, and they dictate the price at which we shall sell our products by adjusting the royalties on their patents. What is more, while it brings in no revenue to this country, it results in centralizing our manufactures. There was a time when mowers and binders and other agricultural implements were made in our rural towns and villages, but patents have gradually destroyed these industries in our rural towns, and the manufacturing of these implements has become centralized in such large firms as the Massey-Harris Company. There we have a large dinosaur, one of those animals that have grown so large that they have ceased to be useful. It is almost impossible for the Massey-Harris Company to manufacture a few implements only. They have to manufacture them by the thousand because their plant has been built up for the purpose of doing an export trade, and at the present time our export trade is largely destroyed. I am sure that

any official of the Massey-Harris Company would tell you that the big plant of the Massey-Harris Company in Toronto cannot manufacture a binder as cheaply as it could be manufactured in the rural towns, and they will tell you that the reason is because of their large power requirements and the large labour force that is necessary to keep such a big plant going. In consequence they have to charge a higher price than we used to charge in our towns and villages when we were manufacturing these implements. I feel that patents and tariffs are great handicaps.

Mr. STITT (Nelson): What section are we on, Mr. Chairman?

The CHAIRMAN: Section 65.

Mr. STITT (Nelson): What has that got to do with tariffs?

The CHAIRMAN: I would ask the hon. gentleman to keep close to the question before the chair.

Mr. BLAIR: Section 66 was also discussed by the hon. member for East Kootenay, and if the hon. member will read it—

Mr. STITT (Nelson): I can find nothing about tariffs in section 66.

Mr. BLAIR: I was saying that the patent law was similar in its effects to tariffs. Patents are a handicap on our industries, a sort of a tariff from which we derive no revenue. They cause the centralization of our industries, the very thing we wish to avoid. They put us at the mercy of large American companies which by charging royalties raise prices exorbitantly. As I said before, the effects of our patent law spread throughout the country and are similar to the effects of a high tariff from which we derive no revenue. All nations recognize now that tariffs are too high, and this is one kind of a tariff that places a great handicap on Canadian industry, and which leads to us being charged exorbitant prices.

At six o'clock the Speaker resumed the chair and the house took recess.

After Recess

The house resumed at eight o'clock.

PRIVATE BILLS

SECOND READINGS

Bill No. 65 for the relief of Isabelle Hume Sadlier Rice.—Mr. Garland (Carleton).

Bill No. 66 for the relief of Mary Frances Isobel Brown Gauthier.—Mr. Factor.

Bill No. 67 for the relief of Amy May Wells Gorman.—Mr. Bell (St. Antoine).

Bill No. 68 for the relief of Charles Michael McGuire.—Mr. White (Mount Royal).

FOREIGN INSURANCE COMPANIES

Mr. G. G. COOTE (Macleod) moved that the house go into committee on Bill No. 14, to amend the Foreign Insurance Companies Act, 1932.

Motion agreed to and the house went into committee, Mr. Ernst in the chair.

On section 1—Surrender of policy.

Mr. CHURCH: Inasmuch as I come from an industrial constituency, where a large number of people are out of work and are affected by the bill, I wish to say a word on their behalf. We hear a good deal about what the insurance companies have done for the people of this country, but we hear very little, if anything, of what the people have done for these companies. Ten years ago I contended that there should be a board of some sort over all such companies. I had on the order paper at that time a resolution to prevent them from taking trust funds and premiums and investing them in common stocks all over the world some of which stocks have proved since the depression nothing but South Sea bubbles. The government at that time did not see fit to adopt that proposed regulation, with the result that millions of dollars in premiums and trust funds invested the world over were lost in whole or in part not only investments by them on this continent but in all countries bordering on the seven seas. I have a bill also with reference to lapsed policies and the rates of interest thereon.

I submit that the house should adopt this bill because loan companies, mortgage companies, insurance companies and banks can no longer expect to receive the higher rates of interest which they have been charging in pre-depression days. This particular bill, by lowering interest rates and similar bills with reference to mortgages, loan companies and banks, would do more to get the people out of the mire than any other agency. It far transcends any other agency I can think of. Many skilled workmen, bricklayers, carpenters, plasterers and others have been out of work now for four or five years. When you talk about commercial rates, on insurance there is no commercial rate so far as these insurance companies are concerned. They are a law unto themselves. It was said on

April 12 that it would be interfering with the credit of the banks and with their business if we passed this bill. Now when a person is in financial difficulties the first agency he gets in touch with is a chartered bank, and the banks are a very important institution in the riding I represent. The policyholder gets a loan from a bank first and so cannot borrow from an insurance company after on a policy. Even bank managers cannot lend a hundred dollars to a retail merchant without authority from head office. If they do no one knows what they charge; they do not charge seven per cent because there is no adequate check or regulation governing them. These insurance companies are largely a law unto themselves. I have before me the annual report of the superintendent of insurance, which contains many quite interesting pages, giving the investments of every company in the country and throughout the world. It seems to me that the time is coming in Canada when the two old parties cannot fail to see the handwriting on the wall, because the working classes will not stand more of these high rates, whether they are charged by banks, mortgage companies, loan companies or by shark loan companies incorporated by this parliament in the last six or seven years and which cannot, by the widest stretch of the imagination be regarded as works for the general advantage of Canada. They get their charters from parliament and then go back and charge enormous rates of interest.

Again, I urge that there should be a federal regulation board over these insurance companies. In 1924 I proposed a trade commission which would take cognizance of such companies and have power to regulate them and their investments. Would it not have been a blessing if we had had a board before the depression of that sort which could have regulated investments in common stocks of insurance companies throughout the world? It would have saved the policyholders in losses by the companies hundreds of thousands and even millions of dollars.

I would point out that during the last few years rapid strides have been made in preventive medicine, science and surgery, as well as in many other departments of public health. Years ago there was no inspection of either milk or food or restaurants or abattoirs, but health departments everywhere have discovered the value of preventive medicine, with the result that the death rate has declined very appreciably indeed. I have returns from the federal United States health department disclosing some interesting figures, but I will not take that up to-night; instead I want to refer to the University of Toronto monthly, May issue. Referring to this particular problem, it says:

> It is interesting to compare the expectation of life at the end of 1933 with that at the end of 1929 and earlier periods. The expectation of life at birth in 1911 and 1912 was 46.63 years; in 1919 and 1920, 51.14 years; in 1929, 55.78 years; and in 1933 it had reached the level of 59.19 years. It is evident that the upward trend of improvement has continued in spite of hard times.

The rates of insurance in this country are altogether too high and the dividends allowed in reduction of premium per annum are not as much as they should be. The inspection of these companies is also not what it should be. In the United States an investigation into Wall street and banks, insurance and brokers and stock companies, was conducted by the United States senate. We have in this country to-day a senate that is nothing but an anachronism. If the Canadian senate had done work similar to that which the United States senate did two years ago we would never have required a mass buying committee. The people of this country want relief from the high rates charged by mortgage companies, loan companies, banks, and insurance companies; such institutions cannot expect in the future to get the high returns or high money which they have always collected in the past. The day of "high" money has gone, in view of the borrowing by the federal government, the provincial governments and the municipalities and in view of the action taken by the banks in reducing the rate of interest on their depositors' moneys. All the money which the banks have to lend is their depositors' money and all the moneys which the insurance companies have to lend is the premiums paid by the policyholders or trust funds.

This bill is a step in the right direction and I am hoping in the future something further may be done along the lines of benefit to the working people in the matter also. Some people are always talking about what these foreign and domestic insurance companies have done for this country. What have they done to pull this country out of the mire? Have they done anything about housing or construction? No. Have they done anything in the way of lending money for reconstruction? No. They are making it all the harder for small business men to borrow money on real estate investments and other forms of securities. At Gravesend Beach, Brooklyn, New York, the New York Life has lent $25,000,000 for the building of small homes and flats for the benefit of the working

classes who live on that particular island. It has lent that money without any federal, state or municipal assistance. In view of all the policyholders have done for that company, it is trying to do something to pull the United States out of the mire by lending this money in the hope that it will create work for some of the policyholders who cannot pay their annual premiums and for skilled workmen, to take them off the dole. In that way the New York Life is trying to do something for its policyholders; it is trying to create work on that island, to relieve the housing and reconstruction situation and to come to the help of the government. Did anyone ever hear of an insurance company, foreign or domestic, in this country coming to the help of the federal government or the provinces or the municipalities? No; they are hoarding up all this wealth to spend it without the proper regulation which there should be over these companies as they like. In the session of 1927, when the late Mr. Robb was Minister of Finance, I proposed that there should be some regulation over these companies. He was a very good minister for the people, and at that time when I sat on the other side of the house, I asked him why there should not be a revision of the insurance law every ten years just as there was of the Bank Act. I asked him: Did he propose to wait until there was an episode similar to that of the Home bank among the insurance companies before any adequate modern insurance legislation would be passed to control these companies with proper inspection and regulation.

As regards these mortgage companies, loan companies, some of these shark loan companies that are operating in the city from which I come and that have been chartered by this parliament, and some of whom, as the hon. member for Battle River (Mr. Spencer) says, are charging as high as 42 per cent—I can tell them that the day of "high" money is gone by. In view of the depression, the insurance companies instead of issuing pamphlets to influence members of parliament would be doing something in the right direction if they lent money for housing and reconstruction, and reduced rates all along the line. As a policyholder in these companies I have received a document which I think is an intimidation of a member of parliament. It is published by the president of the Canadian Life Insurance Officers' Association under date of April 26 last and is addressed to me as a policyholder and as a member of the house. It reads:

An important measure is before the house in which you are directly interested as a

member of the house and doubtless as the holder of a life insurance policy as well. We refer to the proposal to reduce the rate of interest charged on policy loans.

Most of the members have no doubt received a copy of this printed document which is headed:

Memorandum with respect to the rate of interest charged on loans on life insurance policies.

The headings of the different paragraphs are:

1. Policy loans not ordinary loans; life insurance companies not bankers.
2. Interest rate in policy contract applicable long distance into future.
3. Lowering interest rate injurious to policyholders.
4. Danger of "run" on insurance companies.

There could be a much greater danger or a "run" on some of them the way they invested in common stock the world over.

5. Companies would be forced to change investment policies.
6. Low interest rate would encourage borrowing for speculative purposes.
7. Policy loans work to disadvantage of companies.
8. Heavy expense involved in handling policy loans, individual policy loans small.
9. Policy values required to be reduced.

I look on this as nothing but an effort to intimidate a member of parliament by urging him by these reasons addressed to him as a policyholder. These particular gentlemen who are the officers of these companies are simply trustees for these funds. They have invested in common stocks the world over without any adequate regulation and with an utter contempt for the policyholders whose funds they administer with great loss to the company. Not only should this bill pass, but we should have similar ones in regard to the banks, loan companies and mortgage companies. If we did something like that, we would be encouraging the building of houses and reconstruction in a way that would make a good effort toward bringing the people of this country out of the mire.

Mr. COOTE: May I say just a few words in support of this bill which I introduced some time ago? It was changed in the banking committee and was reprinted. I am given to understand that the reprinted bill has not been generally distributed among the members, and if there is a supply of copies on the table, I would suggest that the reprinted bill should be made available to the members of the committee. It is not on my file and some of the members have told me it is not on theirs, and so that the members may not be under any misapprehension, I hope the reprinted bill will be distributed.

This matter of the rate of interest which should be charged on policy loans was very carefully considered in the banking and commerce committee. We had several sessions of the committee; the life insurance companies were well represented by a delegation of insurance men, with very eminent counsel to speak for them. I regret that the insurance companies when they circularized the members of the house did not include me in the list; I did not get one of the circulars to which the last speaker referred. May I put the matter briefly to the committee in this way; first I would stress the importance of this matter to the people of Canada who are forced to borrow on their life insurance policies—

Mr. DUFF: Before my hon. friend proceeds, he says, and it is true as far as I am concerned, that this amended bill is not on our files. It seems to me that we should adjourn the consideration of this important matter until we have the bill before us. I do not know whether I am in order in moving that the committee rise, but I think it is only right that we should have the bill before us. If I am in order I move that the committee rise and report progress.

Mr. SPENCER: Before you put that motion, Mr. Chairman, I believe that the reprinted bills have been distributed to the desks but not put on the files. I found mine beside my file.

The CHAIRMAN (Mr. Ernst): These bills are not reprinted when amended. I have read the section. It is an amendment to the Foreign Insurance Companies Act, and provides that interest shall be at the rate of five per cent. The original draft said four per cent.

Mr. ROSS: It is most unusual that these amendments are not before us. I do not think it ever happened before that the chairman merely read the amended clause and the committee dealt with it.

Mr. HANSON (York-Sunbury): Could we have a statement of the exact position? I confess that I am at a loss.

The CHAIRMAN (Mr. Ernst): The bill is No. 14. I shall read the original clauses which went to the banking and commerce committee:

1. The Foreign Insurance Companies Act, 1932, as amended by chapter thirty-six of the statutes of 1934, is further amended by inserting the following section therein immediately after section thirty-nine thereof:—

39a. (1) In the case of life companies, whenever any holder of a policy other than a term or natural premium policy has paid three or more annual premiums thereon or their equivalent half-yearly or quarterly premiums and fails to pay any further premium or desires to surrender the policy, the premiums paid shall not be forfeited, but he shall be entitled to receive a paid-up and commuted policy for such sum as the directors ascertain and determine, or to be paid in cash such sum as the directors fix as the surrender value of the policy; such sum in either case to be ascertained upon principles to be adopted by by-law applicable generally to all such cases as occur, or extended insurance under the policy for a period proportionate to such cash surrended value.

That clause was deleted in its entirety by the banking and commerce committee. Then clause 2 of the original bill read:

(2) The sums so ascertained and the duration for which insurance may be extended, based upon the assumption that the policy is not subject to any lien by way of loan or otherwise, shall be inserted in the policy and form a part of the contract between the company and the insured.

That was also deleted.

(3) In the event of the policy being subject to any such lien when default is made in payment of a premium as aforesaid, such lien shall be taken into account in fixing the cash surrender value and the paid-up and commuted policy herein referred to.

That was also deleted.

(4) Until the policyholder elects to accept such cash surrender value or such paid-up and commuted policy, such cash surrender value shall be applied by the company to maintain the policy in force at its full face value until the whole of the surrender value under the policy is exhausted.

That was also deleted.

Mr. ARTHURS: Is it not a fact that the original bill was all deleted except one clause?

The CHAIRMAN (Mr. Ernst): Yes.

Mr. ARTHURS: Many hon. members have objected to clauses which they read from their files, which clauses have already been deleted.

The CHAIRMAN (Mr. Ernst): Well, if I may just finish: Under clause 5 as originally drafted interest was to be payable at the rate of four per cent per annum on loans on insurance policies. That was changed and the present bill substituted. The bill was reprinted as reported from the committee. The reprint places the rate of interest at five per cent, defines interest, and also fixes a period of time, saying that the section shall not apply to any loan or unpaid balance thereof made under an agreement executed or advanced automatically under any policy issued before January 1, 1936.

Mr. HANSON (York-Sunbury): In view of the explanation made and the very great

change that is proposed, I think this bill ought to be distributed to the members before it is further considered, and that it should stand over for that purpose.

Mr. DUFF: I move that the committee rise.

Mr. COOTE: I understood—

The CHAIRMAN (Mr. Ernst): This motion is not debatable.

Mr. COOTE: But there is a point of order involved. I understood the hon. member for Antigonish-Guysborough (Mr. Duff) to rise to a point of order, but after he raised the point of order he made a motion. I suggest that that procedure is not available to any hon. member of this committee. I relinquished the floor to the hon. member only because he said he was raising a point of order. If there is a point of order involved I should like to know what it is. This bill was amended in the committee and was ordered to be reprinted. I simply suggested that apparently the reprint was not available to all the members, but the bill has been reprinted; the reprints must be in existence somewhere. It was for the information of hon. members that I suggested that the copies might now be distributed to hon. members who have not got them. The bill was passed by the banking and commerce committee long ago; surely we might now consider it.

The CHAIRMAN (Mr. Ernst): I have to call the hon. member to order; the motion is not debatable.

Mr. COOTE: Well, I raise the point of order that the hon. member for Antigonish-Guysborough raised a point of order and after he had thus succeeded in getting the floor he made a motion, which procedure was not in order.

The CHAIRMAN (Mr. Ernst): The motion has been renewed since, and it is now before the committee.

Mr. COOTE: But surely I should have the right to the floor when it was taken from me in that way. I suggest that I have the floor until some hon. member can prove a point of order. I am in your hands, Mr. Chairman.

Mr. GUTHRIE: Would it not be just as well if this bill should stand until Friday? Copies of it are not at hand now, and we shall have them then.

Mr. COOTE: I should like first to ask the officers of the house if there are not plenty of copies of this bill available. It is difficult enough for any private member to get a public bill through this house; we have only two hours a week, and then private bills take precedence. The last two nights devoted to private and public bills were taken up in the discussion of the question whether a divorce bill should be restored to the order paper. It would appear to any outsider, and even to members of this house—

The CHAIRMAN (Mr. Ernst): I have to call the hon. member to order; the motion is not debatable. The motion is that the committee rise, report progress and ask leave to sit again when the bill is reprinted.

Mr. COOTE: I rise to the point of order that when I had the floor it was taken from me on a point of order, and after I had lost the floor to the hon. member (Mr. Duff) simply because he raised a point of order, then the motion was made. I suggest that a motion cannot be made in that way

The CHAIRMAN (Mr. Ernst): The motion has been made and is before the chair.

Mr. COOTE: How can it be before the chair if the rules are properly enforced? How did I lose the floor except that the hon. member raised a point of order which I suggest was absolutely wrong? I suggest that I have the floor now and that no motion can properly have been made, when the debate was interrupted simply on a point of order. No disposition was ever made of the point of order.

Mr. DUFF: On the point of order, I am quite willing for my hon. friend to continue his speech, but he put the words in my mouth and I thought I was helping him out. He said there was no bill before the house. I thought that by raising the point of order and moving that the committee rise I was helping the hon. member out in his argument. If he wants to continue his speech that is quite satisfactory to me for the time being.

The CHAIRMAN (Mr. Ernst): Then the motion is withdrawn for the time being.

Mr. COOTE: I was simply trying to suggest to the committee the importance of this bill to a certain class of people in Canada, those policyholders who are finding it difficult to keep their premiums paid, some of whom have had to borrow money to keep their policies in good standing. In the banking committee the superintendent of insurance told us that before this act was introduced rates running all the way from six per cent to ten per cent were being charged by insurance companies in Canada on policy loans.

I certainly think this is a matter on which this house should come to a decision and in connection with which we should lay down a maximum rate of interest which the insurance companies may charge.

These companies were very well represented before the banking committee by very able counsel, and this section of the bill was passed by a good majority, setting the minimum rate at five per cent. If the reduction meant only one per cent—and it means more than that—it would mean a saving of $2,500,000 to certain policyholders who are borrowers. The companies cannot earn a rate of six per cent on any other investment they can make to-day. Certainly they cannot net six per cent on their mortgage investments; I doubt if they can net five per cent. Why they should want to charge their own policyholders on guaranteed loans like this—as a matter of fact the policyholders are only borrowing their own money—a higher rate of interest than they can earn on any other class of investment is quite beyond my understanding. Last year one of the biggest companies in Canada averaged 4·08 per cent on all their investments. If they have any money coming in to-day to invest in dominion government bonds they cannot earn much more than three per cent. Why charge the poor policyholder who wants to borrow at a rate of six per cent? Some companies charge seven per cent and others charge even more.

Mr. HANSON (York-Sunbury): I should like to ask the hon. member a question. What will be the effect on the profits of the policyholders who do not borrow if the rate of interest on loans to policyholders is reduced?

Mr. COOTE: I think the net result would be to reduce their earnings by a very small fraction indeed. Let me suggest this to the hon. member: Why should any policyholders who do not need to borrow want to make this inordinate profit out of the poor policyholders who do need to borrow, and who are really only borrowing their own money? I know it has been suggested, and it has been stated in newspaper articles, that we are in danger of ruining the insurance companies by setting the rate so low that all the policyholders will want to borrow money. That is rank nonsense. Why, the insurance companies were pretending to lend money at one per cent less than the banks, years ago, and there was no run on the insurance companies for money. Who is going to borrow from the insurance companies rather than the banks simply because he can get the money at one-half per cent or one per cent less? I am told that to-day a good deal of money is being lent by the chartered banks at five per cent, and the chartered banks of Canada cannot have loans as safe as the loans that are made by insurance companies to their own policyholders. The companies cannot possibly lose. Why should we allow them to charge a higher rate of interest than anyone else in Canada is able to earn, and higher than they can get anywhere else in Canada? For the life of me I cannot understand that. I do not believe any class of people in this country want to borrow on their insurance policies unless it is necessary. Most of the people who borrow, so the superintendent of insurance told us, are small policyholders who borrow to keep their policies intact, or to keep their houses from being sold over their heads, or to keep themselves off relief. As a matter of fact to-day the insurance companies are handling approximately as much of the savings of the Canadian people as the chartered banks are handling. We have compelled the chartered banks to reduce their interest, through the legislation passed last year. They have reduced the interest to their savings depositors, and I think we must secure a general lowering of interest rates all along the line wherever it is possible. Here is one place where it is possible.

One of the companies making a strong fight against this bill has used the money of the policyholders in a way that I do not think would be approved by any of us. They have put $21,000,000 into a head office building, yet some of the men connected with that company would say, "You will ruin us if you put us in a position where we have to lend the policyholders all the money they want to borrow at a rate as low as five per cent." They have millions of dollars invested in bonds that do not yield more than three and a half per cent; they have millions of dollars invested in the bonds of countries other than Canada that are not worth fifty cents on the dollar; they have millions of dollars invested in industrial stocks and bonds that are not worth fifty cents on the dollar. The other day one man said to me that perhaps one reason they are fighting this measure is that they need this rate of interest to make up their losses through bad investments. So far as I am concerned I do not propose that they should be allowed to charge more than five per cent to make up their losses in other ways. I do not know why they want a higher rate. We have life insurance in Canada for the benefit of the people, not for the benefit of these great companies, and by this bill we are not endangering any company. We know this government would not allow any insurance company to fail; we have had proof of that.

These companies have so much money coming in that they do not know what to do with it, but if anyone wants to borrow on his insurance in order to keep his premiums paid he must pay six per cent and in some cases eight per cent. The largest company in Canada charges eight per cent on automatic loans to-day, and only three months ago, up to the time this bill was introduced, one company was charging ten per cent. They stopped charging ten per cent simply because this bill was brought in.

I appeal to the members of this committee to quit fooling in connection with this bill and to vote on it. If they do not want it they can vote it down; if they want it they can put it through, but the committee should not rise now when the bill can come up only twice a week. There are quite a number of public bills on the order paper; any time any members choose to put up a fight in connection with a divorce bill here it can go on for two or three weeks, and during that time we have no chance to consider any public bills introduced by private members. I appeal to the committee either to pass this bill or to turn it down. I do not want to indulge in any more argument; I rose to-night only because I thought perhaps there was some misunderstanding in connection with the bill. I know some of the members were looking at the old bill. I would not object to letting the bill stand if it was for the purpose of getting further information, but I think the main purpose in putting the bill over would be, "Well, if it is put over to-night that is one less opportunity to discuss it." I do appeal to the members of the committee to pass the bill.

Mr. DUFF: In this free parliament we are allowed to express our opinions freely, and there should not be any insinuations made with regard to what any member of this house thinks in regard to any measure coming before it. Of course I am not surprised that my hon. friend from Macleod (Mr. Coote) should wind up his argument by practically trying to leave with the public the idea that certain members of this committee and this house do not want to have this matter properly discussed. The trouble with my hon. friend is that he seems to be going around in a circle. When he first rose to his feet fifteen or twenty minutes ago he told the committee that this bill had not been reprinted. Until he made that statement I did not know whether or not it had been reprinted. I looked up my file immediately and found I did not have it. Some other hon. members sitting around me made the same statement, and consequently I felt that before the matter was further considered it was my duty, out of respect to hon. members who did not sit on the banking and commerce committee, to see that they had an opportunity to be seized of the facts, particularly when one bill went to the banking and commerce committee and a much different bill is now being discussed. I do not know why the hon. member should complain. It is true that the bill is important, and in view of its importance I move that the committee rise.

The CHAIRMAN: Shall the motion carry?

Mr. ERNST: On a point of order may I ask this question: Does the mere fact of agreeing to a motion that the committee rise automatically result in the bill being killed?

Mr. COOTE: Yes.

The CHAIRMAN: The motion is not debatable.

Motion negatived on division.

The CHAIRMAN: I declare the motion lost.

Mr. ARTHURS: Before the bill passes to a further stage I should like to say a few words. As it was first introduced and brought before the banking and commerce committee I found myself opposed to certain clauses. Now however I am just as much in favour of the clauses in the present bill. It seems to me ridiculous that including costs any man should be charged rates of 10 per cent or 12 per cent upon money which is rightly his. These loans are made only upon the surrender value of an insurance policy. If he chose, a man could surrender the policy and accept the money. On the other hand he may choose to borrow a few dollars for the purpose of keeping his policy in force or for other reasons, and in the past he has been charged seven per cent and in many cases much more. I say there is no security so ample as that given by the borrower; it is surer than Dominion of Canada bonds because, as I previously stated, the policyholder is borrowing his own money. The insurance companies are most anxious to keep it that way; they do not wish to have policies surrendered, and at the same time they are attempting to secure much greater interest than they could possibly secure from the best securities they hold. I am in favour of the reduction in the rate of interest, and would be content to vote for even a larger reduction.

Some hon. MEMBERS: Question.

Mr. RALSTON: Mr. Chairman, this matter has been discussed at least by some hon. members of the committee as if it were a case between insurance companies and borrowers.

Mr. ARTHURS: That is what it is.

Mr. RALSTON: I submit that is not the position at all. As I understand the situation, insurance companies receive ten per cent of the profits which are made, the balance of the profits going to the policyholders. It seems to me now, as it seemed to me before the banking and commerce committee, that the bill might more properly be opposed by policyholders than by the companies. The companies which were there at that time, I take it, were representing the great mass of policyholders who were not borrowers, rather than the companies themselves, because as I say they are very little interested in the rate of interest received.

Mr. ARTHURS: Are not these borrowers who continue to be policyholders as much interested as anybody else?

Mr. RALSTON: Yes; I shall deal with that in a moment. Speaking for myself, I am representing a policyholder and I believe representing quite a mass of policyholders who are not in favour of trust funds which have been created for the protection of their wives and children being exposed to compulsory borrowing by people who may wish to use it for other than emergency purposes.

In the first place my point is that the insurance companies are not vitally interested in this bill, but that those who are interested are the mass of policyholders who have placed their funds in insurance companies in order that their wives and children might be protected. It seems to me we are getting off on the wrong foot when we speak of it as if it were a battle between insurance companies and borrowers. It seems to me, in the second place, that we are regarding this bill as having something to do with the general movement afoot in Canada to reduce interest rates. I am in favour of the reduction of interest rates both on commercial and on mortgage loans, but I would hasten to point out, if I may, that this is not in the same class. These loans are compulsory loans which must be made and which cannot be refused by the companies and they are made out of trust funds accumulated for the benefit of dependents of the policyholders. It seems to me they are in an entirely different category from loans made by commercial banks, or mortgage companies from which we expect and want to get the lowest possible rates.

The fund which has been created is one which has been paid in by policyholders throughout the dominion. I learned from figures given a few days ago in an address delivered by the Secretary of State that policies aggregating about six billions of dollars are outstanding in Canada. This fund has been created by the great mass of policyholders in order that their wives and children may be protected. The proposal now is to make it as easy as possible for any policyholder to come in and say to a company, "I want you to lend me money at four per cent," or five per cent, as the case may be, notwithstanding the fact that he may have to pay six per cent to a bank.

Mr. ERNST: Is it not the business of insurance companies to invest their funds to the best possible advantage?

Mr. RALSTON: It is.

Mr. ERNST: Is there any safer loan at a greater remuneration than five per cent?

Mr. RALSTON: They have a perfect right to invest their funds in any security which they think fit and which falls within the terms of the act. But the first duty of an insurance company is not to make money on its loans but to see to it that funds are liquid and available for payment to beneficiaries under policies. That is the principle which I submit may not be observed if it is made easy for policyholders to compel insurance companies to give loans on policies at low rates.

I gave an example in the banking and commerce committee. It seems to me that if Mr. A has paid in money on his policy and expects his wife and children to benefit from those payments, in the event of anything happening to him, he has some interest in seeing that Mr. B is not encouraged to draw out money from the company and thus to deplete the fund. He is interested in seeing that Mr. B is not encouraged by being able to go to the company and obtain a loan at a rate lower than that at which he could obtain a loan from a bank.

Mr. ARTHURS: In the alternative the policyholder who is desirous of borrowing could withdraw all his interest in the policy. The policyholder who desired to borrow a small sum could, if he chose, take the cash surrender value of the policy.

Mr. RALSTON: I do not wish to make it any easier for me or anyone else who is a policyholder to get the money out. I submit what we should do is not to encourage but to discourage borrowing on policies. While it

is true that from time to time in selling policies companies stress the point that the policyholder will be able to borrow money on his policy, it seems to me that that is not the primary purpose for which a policy is written; it is not the primary purpose for which a policy is sought. The principle of protection is the one which should govern, rather than the principle of being able to get ready money through a loan on the policy.

I suggest we should be careful to see to it that any person who borrows on a policy is not encouraged to do so by reason of the fact that he can get the money at a cheaper interest rate than could be obtained at a bank. Mr. B should not be encouraged to borrow. The general principle should be kept in mind that borrowing on insurance policies should be for emergency and not for commercial purposes. I believe hon. members of this committee know that during the boom time of 1929 and early 1930, a good deal of borrowing on policies was done which should not have been done. That borrowing was carried on, however, because it was easy to get money on account of an insurance policy. If the rate of interest is such that it makes it expensive to borrow there is at least a deterrent, a brake, if not a complete bar to the borrowing on these policies. I submit that if we make it easy to borrow on insurance policies it means in some cases that in times of stress and strain we may have a situation such as arose in the United States not very long ago, when the government itself had to step in and prevent borrowing on insurance policies in order to save the companies from liquidation. What does this mean? It means that if a company gets a run on its policies by reason of the fact of a loan being obtainable at a low rate of interest, it will have to dump its securities to meet these loans, and this endangers the very trust fund of which that company is trustee for the benefit of the policyholders and beneficiaries. It is not a quetsion of the interest of the companies. It is a question of the interest of the mass of policyholders. It is not a question of a general reduction in interest rates. It is a question whether or not we shall, as far as we can, preserve intact a fund that has been created primarily, not for the purpose of being drawn on from time to time for ordinary commercial purposes, but for the protection of the wives and children of policyholders.

Mr. ROSS: May I ask the hon. member who has just taken his seat (Mr. Ralston), who seems to be well up in this subject, which I am not, what would be the effect upon the companies who have group insurance if members of such groups of industrial workers were allowed to borrow on such policies? Would not the withdrawal of one seriously affect the position of the whole group?

Mr. RALSTON: I am not in a position to answer that question. I do not know whether under group insurance policies contain the privilege of borrowing or not. I rather imagine they do.

Mr. CAHAN: Not for individuals.

Mr. RALSTON: Not for individuals, I should think.

Mr. YOUNG: I was much impressed with the arguments of my hon. friend from Macleod (Mr. Coote) in support of this bill, but there was one point on which I would have to disagree with him. He said that insurance should be for the benefit of the insured, if I heard him aright. I do not think so. I think it is for the benefit of the beneficiaries. I understand that a man's life insurace is almost the only asset he can leave to his wife and family of which his creditors cannot deprive him, and if you make it easier for the creditors to get hold of that insurance policy I do not think you are going to benefit the beneficiaries in any way. The creditors cannot take the insurance away from the wife and family, but they can go to the man himself and say, "Why are you paying us seven per cent interest when you can borrow from the insurance company at five per cent? Why not borrow on your policy and pay us off?" They might induce him to borrow from the insurance company and thus take away from his wife and family an asset that the creditors could not touch in any other way. For that reason I think this bill should be opposed.

Mr. WHITE (London): It seems to me that the crux of this bill lies in the question of fixing interest rates. I think it would be very unwise to fix interest rates at the present time. At no other time in the history of economics have interest rates been so uncertain as they are at present, and no one can tell what interest rates will be six months or a year from now. Most life insurance policies are issued for long terms, twenty or thirty or forty years, and to pass a bill fixing interest rates at any given figure I think would be unwise. The insurance companies are bound by their policies to make these loans when they are requested; they cannot refuse them; they have to make them, and if they have to make

them at the rate of five per cent when money might be at six or seven per cent it is not very hard to understand how the insurance companies would soon be called upon to act the part of bankers. The insurance companies would then have to keep liquid reserves to a far greater extent than they do at the present time. They would have to invest their money in such a way that it could be called on if necessary. I am told that in the United States there was an insurance company, perhaps more than one, that was in a very serious position during this last depression because of a run on the company for loans on its policies. If this bill were to pass, the insurance companies would then be competing with banks and loan companies in making small loans.

Something has been said about the insurance companies charging eight per cent. I understand that it is a six per cent interest rate and a charge of two per cent for service. It seems to me that a more equitable charge for service would have been a certain fixed charge per month levied by the insurance company, instead of a percentage rate, and had that been the case I think we would never have heard of an eight per cent interest rate being charged. The companies do not want this business. I would be in favour of denying the right to the policyholder to borrow on his policy, rather than put this bill through and fix the interest rate. If this bill passed, the effect undoubtedly would be to increase the number of loans and possibly the amounts of the loans, particularly if the ordinary interest rate rose. The borrowings would then be so large, as has been stated, that instead of being an insurance company it would be merely a banker in charge of bank accounts which might be drawn upon to the full extent at any moment.

The insurance companies are charged with levying high interest rates. I am told that six per cent is now the ruling rate, and that rate was fixed by the insurance companies in agreement among themselves before this bill was presented to the house. It seems to me, Mr. Chairman, that the more we interfere in matters of this kind the harder we shall make it for insurance companies to carry on their work.

Progress reported.

PATENTS OF INVENTION

The house resumed consideration in committee of Bill No. 48, to amend and consolidate the acts relating to patents of invention—Mr. Cahan—Mr. Morand in the chair.

Mr. CAHAN: Mr. Chairman, at six o'clock I was about to rise to reply to certain remarks of the hon. member for East Kootenay (Mr. Stevens). I wish to emphasize again that this bill as it is now before the house, with the exception of two or three verbal amendments, which are due perhaps to the negligence of the printer or draftsman, was approved after nineteen sittings of the banking and commerce committee of the senate and after an investigation of the facts unprecedented in my experience in respect of any public bill of this nature. I appreciate the fact that the hon. gentleman received from someone information with regard to an alleged grievance in respect of patent rights on electric bulbs. If the party who suffered from an abuse or alleged grievance had addressed himself to the Secretary of State, even under the existing act, I am sure I could have suggested administrative measures which would have served to overcome the abuse specified; or if the person suffering from the abuse had applied to the commissioner for an investigation under the existing act, I am satisfied that remedial measures could have been obtained which would have afforded very considerable redress at least.

The number of elements in an electric light bulb is seven: (1) a base; (2) the globe; (3) a filament support; (4) lead-in wires; (5) an alloy for a filament; (6) a getter for the removal of gases during the baking of the filament within the lamp; (7) the sealing of the lamp. How there could be with respect to one type of bulb some sixty odd patents outstanding surpasses my comprehension. The hon. gentleman suggested that under the bill before the house the term of three years is given during which the patentee may erect his factory, equip it with machinery and proceed with the manufacture of the article in respect of which the patent subsists, and he said that with regard to any patented article the fact that improvements may be patented from time to time renders it impossible to revoke the patent or to give compulsory licences to third parties to manufacture under any patent because of the continued improvements made from year to year. This argument is fallacious at least in this respect, that a commissioner or the exchequer court under the old act or under the present proposed consolidated act could in case of abuse license the manufacture of any type of bulb up to the last improvement—and improvements are not so rapid in the manufacture of electric bulbs that the manufacturer, under all the patents existing for three years before the application, might not manufacture a very

excellent bulb which would prove satisfactory under most conditions and circumstances. But my hon. friend, if I understood him aright, referred to the three year clause as an evil which should be remedied by the measure now before the house. Let me say first that the three years is given from the date of the granting of the patent within which the patentee may proceed with the proposed manufacture by erection of his factory and the equipment of it with machinery; and that three year provision exists in the Patent Act of every leading country in the world. It has been found by experience in all countries that, if an average term is to be fixed, three years is the most satisfactory, and in fact so satisfactory has that term been found that in the international convention for the protection of industrial property, which was signed at the Hague on November 6, 1925, and ratified by Canada on May 1, 1928, and which convention is adhered to by nearly every leading country in the world, it is provided in article 5 that there shall be at least a term of three years within which the patentee shall be allowed to proceed in his preliminary arrangements for the manufacture of the article patented. Article 5 provides:

> The importation by the patentee into the country where the patent has been granted of articles manufactured in any of the countries of the union shall not entail revocation of the patent; nevertheless each of the contracting countries shall have the right to take the necessary legislative measures to prevent the abuses which might result from the exercise of the exclusive rights conferred by the patent, for example, failure to work.
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> These measures shall not provide for the revocation of the patent unless the grant of compulsory licences is insufficient to prevent such abuses. In no case can the patent be made liable to such measures before the expiration of at least three years from the date of the grant of the patent.

That three year period, which is accepted by all leading countries in the world, is the period we are bound to grant under the international convention to which we are now parties. But when we sought to find remedial measures against possible abuses which might arise, and remedial measures which are within the terms of the international convention to which we are parties, we turned to the latest revision of the Patent Act of the United Kingdom. We sought to take advantage of the vast store of experience which the patent office of the United Kingdom has acquired. Since this convention was framed and ratified by the United Kingdom as well as by Canada there has been a revision of the Patent Act of the United Kingdom in which they have provided very satisfactory and, I think, salutory and efficient measures to overcome the abuses which may develop from the patent monopoly. So that the senate has adopted verbatim, at the suggestion of the department of the Secretary of State and the patent office, the provisions which are now found in sections 65, 66, 67, 68 and 69 of this bill. In respect of these sections, though only two of them are now before the committee, I may say by way of explanation that the English provision is in one section, section 27, a very lengthy section; and in order to facilitate references to it we divided that section 27 into four parts. Therefore section 65 of this bill is identical with subsections 1 and 2 of section 27 of the English patent act, with one exception. Under the English act any person interested may apply to the commissioner in case of an abuse, but in Canada, so widespread in territory, we have introduced one slight change, namely, giving to the attorney general of the dominion the right to take proceedings ab initio. It is desirable, I think, to maintain responsible government in this country and to provide not only that the Secretary of State shall be responsible to the government of which he is a member and to parliament in respect of the administration of the act, but that the Attorney General of Canada shall be responsible in respect to the initiation of proceedings to abolish or to remedy abuses arising under the act.

I do not wish to state personal opinions in dealing with a government measure such as this, but my own view is that in framing general acts to deal with prevalent evils, a mistake would be made if you should attempt by general acts to deal with specific instances which have arisen, and which can be remedied by an efficient administration of the general act by the person responsible to the government and to parliament of such administration. The enactment of general laws is necessary, but with regard to the administration of general acts, in my experience, the end may be accomplished by establishing that ministers of the crown in certain capacities shall be directly responsible to the crown and to parliament for the efficient administration of those acts. That principle or policy we have endeavoured to incorporate in the bill now before the committee.

Mr. RALSTON: I understand also that alternatively any person interested still has, as well as the attorney general, a right to appeal.

Mr. CAHAN: Certainly. I explained that in England the individual must take the initiative. In this bill we deemed it desirable

to provide that not only any person interested in the patent, but also the Attorney General of Canada, as representing the public interest, should be authorized to intervene. With that exception section 66 of the bill is practically identical with subsection 3 of section 27 of the English patent act; section 67 is identical with subsections 4, 5 and 6 of section 27 of the English act; section 68 is identical with subsections 7 and 8 of section 27 of the English act, and section 69 is identical with sections 9, 10, 11 and 12 of section 27 of the English act. By adopting those provisions which arise out of the accumulated experience of the English governments and of the English patent office, not only have we taken advantage of such experience, but still further there are published and available to the public the decisions given by the officer who holds in England a position similar to that of the commissioner of patents. Those decisions are published from week to week and month to month, and while they do not form a guide which must invariably be followed, they will certainly afford a guide to the administrative officer who has charge of the administration of this particular act. Therefore I submit again that we have taken the very best advice with respect to this bill; we have adopted the results of a long accumulated experience under the English act, and we have, in the terms in which this bill is expressed, given to the administrator and to the responsible officers of government, the Secretary of State to whose department it is attached and to the attorney general of the dominion, full power to correct those abuses.

There are other provisions which we shall consider as we proceed, but there are certain of them to which special consideration might be given. In the case of an abuse of the rights under this measure, I laid particular stress in my opening remarks upon section 65, subsection 2, paragraph (c), which is to this effect that if the demand for the patented article in Canada is not being met to an adequate extent and on reasonable terms—and those terms cover not only price but rental, royalty and all other terms connected with the patent—then, the commissioner can proceed and under this bill he may exercise the right to revoke the patent if the granting of compulsory licences to third parties does not prove an adequate remedy for the abuse or the evil complained of.

Another expressed intent of the English act is to encourage the manufacture of the patented articles in the United Kingdom, and in subsection 3 of section 65 we have used the exact terms of the English act, changing "United Kingdom" to "Canada." This subsection, which will be found at the top of page 26 of the bill, reads:

> 3. It is declared with relation to every paragraph of the next foregoing subsection that, for the purpose of determining whether there has been any abuse of the exclusive rights under a patent, it shall be taken that patents, for new inventions are granted not only to encourage invention but to secure that new inventions shall so far as possible be worked on a commercial scale in Canada without undue delay.

The three years' delay is one that must be given unless we are prepared to repudiate our international agreements.

There are other terms which will be found on page 27, and I should like to call attention particularly to section 66, paragraph (d):

> If the commissioner is satisfied that the objects of this and the last foregoing sections cannot be attained by the exercise of any of the foregoing powers—

That is, powers which are given to them of granting involuntary licences to other competitors and the like.

> —he may order the patent to be revoked, either forthwith or after such reasonable interval as may be specified in the order, unless in the meantime such conditions as may be prescribed in the order with a view to attaining the objects of this and the last foregoing sections are fulfilled.

That is a very arbitrary power; it is nevertheless a power which may be exercised in case the patentee abuses the rights which are conferred upon him. I may not have the opportunity or privilege of enforcing this new measure, but I say with perfect confidence in view of my experience in connection with the patent office for the last four and a half or nearly five years, that in the terms of this proposal I can find remedies, adequate remedies, for every abuse which has been brought to my notice during that time. I am sure that if my successor will make himself thoroughly conversant with these terms, and if he is supported by the government of which he is a member, he can find adequate remedies for such abuses as those of which the hon. member for East Kootenay has complained. With that sincere conviction, and in view of the time that has been given to the framing of these provisions and to securing their consistent application to the objects which we have in view, I trust that the House of Commons at this late date will not undertake any haphazard amendment of this bill.

Mr. STEVENS: I regret that the minister takes the attitude he does. In my opening remarks in regard to this bill I pointed out

very definitely that I was not criticizing this government or any other government regarding the administration of the Patent Act in this respect. I drew particular attention to the fact that it was a subject that had not apparently been considered. As a matter of fact I discussed it with one of the members of the senate committee, who told me that the matter had not risen there, and it was too late then to have the matter considered. If there is any language that I can use that would disabuse the mind of the Secretary of State (Mr. Cahan) of the thought that there is any desire on my part to embarrass either him or the government or to delay the committee, I should be very glad to use that language.

I am not unmindful of the excellence of the British act. I would like to pass a vote of thanks to the Secretary of State for including those sections in this act. I think it is excellent; there is nothing wrong with it at all. In regard to my reference to the three year period—and by the way when I referred to that I pointed out that that was the section which had been cited, that and section 64, as replacing the old section 40 in the previous act—I pointed out that section 40 in that act did contain provisions that might have partly dealt with this subject, but that they were repealed. The argument of the Secretary of State in effect is that the term of three years is put in the English act and this act for the purpose of protecting the patentee during the time of bringing into operation the manufacture of the patent. I know that; everyone knows it. But the reason I cited that was that he had previously cited it with subclause (c) as an answer to the matter I had brought forward.

Now the hon. gentleman says that had this matter been brought to his attention he would gladly have attended to it. He suggested that some individual had brought it to my attention. Well, three concerns brought it to my attention when I was Minister of Trade and Commerce. I did not invite the matter; it came to me. I immediately addressed a letter to the Secretary of State under whom the administration of the law properly came. I have in my hands a copy of the letter, which is on the files in the Department of Trade and Commerce and on the files of the Secretary of State. I shall read it, because it does indicate at least that the matter was brought to the attention of the proper authorities on July 30, 1934, nearly a year ago. I submit that the letter itself cannot be said to be other than a very proper letter passing from one department to another. It is addressed to the Secretary of State:

My Dear Colleague:

I enclose copy of a file dealing with the complaint of Morris Feldberg of Ottawa; also the North Shore Electric Company of Vancouver. I would particularly draw your attention to the letter of Messrs. Macfarlane, Thompson & Littlejohn, dated the 14th May, in which they as solicitors for the Canadian General Electric Company request the North Shore Electric "to discontinue the purchase and sale of incandescent electric lamps" which they allege is an infringement of Canadian letters patent covering certain of the parts that enter into the making of electric lamps. Then follows a long list of patent numbers.

The question arises in my mind: Is the Canadian General Electric using all the processes or devices covered in these patent numbers?

If they are not, is it an infringement of the Patent Act for a person to buy them in the United States and bring them into Canada, having paid the regular duty?

Also, if the manufacturers in the United States have a right to manufacture or have paid royalty on these lamps, have not the owners of the patents received full compensation, and how can they ask for a second royalty or prohibition of right of sale simply because the lamps are brought into another country?

Does the right of a patent used or unused convey an inhibition against a person buying the article as patented from some other person who has the right to manufacture the same?

These are some of the questions that occur to my mind arising out of these letters.

I also enclose a memorandum of one of my officers who looked into the case, and a list of the patents with a description of them, which has been secured from the records.

Lastly, you will notice I am asking the national research council to make an examination of some of these bulbs so that I may be advised as to whether or not the complaining company is using the patents which they allege they control.

I would appreciate your kind consideration of these various matters.

I received no acknowledgment or answer, and no notice was taken of that letter. Attached to it was a memorandum from one of the trade commissioners in the office of the Department of Trade and Commerce—I have it under my hand—in which he went into the matter, so it was not sent over as a haphazard or carelessly drafted communication; a full page report made by a competent officer on the facts of the case was attached to my letter, together with copies of the letters of those who complained.

I had no power to deal with the matter; I simply passed it on to the proper officials for their consideration. The matter has not been attended to; nothing has been done. This is the first opportunity I have had of discussing the matter in connection with the

revision of the act. To-day, therefore, in moderate and respectful terms, as I thought, I suggested that in this revision we might consider providing against this abuse. As one point I particularly drew the attention of the government to this, that it is obvious that these four companies—and there are only four, as I indicated this afternoon—are taking advantage of the Patent Act to enhance the price of electric bulbs in Canada by over one hundred per cent above the duty paid price of the article landed in Canada. I submit that that is not a joke; it is something that ought to be considered. Surely this parliament is not going to calmly pass a complete revision of the Patent Act now and wholly ignore the abuse of that power. This afternoon I read, and I am going to read part of it again because I think perhaps the committee are not yet thoroughly seized of the situation, this letter from MacFarlane, Thompson and Littlejohn, solicitors for these four companies, a copy of which I sent to the Secretary of State. They say:

> Our clients, the Canadian General Electric Company, Limited, have instructed us to request you to discontinue the purchase and sale of incandescent electric lamps.... Our clients allege that you have been handling lamps of American manufacture which they assert are an infringement of the above letters patent—

I have also read into the record part of a report of the federal trade commission of the United States which officially declares that these companies, the chief company in Canada being the Canadian General Electric Company, a subsidiary of the General Electric of the United States, have an international cartel. This international cartel not only deals with the interchange of patent rights and privileges; it also allocates territory. The federal trade commission put it in this way:

> The members of this international organization exchange patent rights, manufacturing processes and other "trade secrets." This exchange is characterized by a division of territory, each company granting to the other exclusive rights in specified countries—

Then it goes on to say:

> For example, in the case of light bulbs in so far as Canada is concerned, no independent manufacturer can either manufacture or sell in Canada without being liable for suit for infringement of patents which are owned by the larger organization—

What I am submitting is this, that the patent act as drawn at present and in its revised condition permits the General Electric and these three other companies, all acting in concert, to enhance the price of these bulbs to Canadian users more than one hundred per cent beyond what it should be, and we have no redress. Now we are calmly, coolly and deliberately sanctioning that situation; that is what parliament is doing. I want to say to the government and to the Secretary of State that I am just as anxious as they are to get this bill through, but surely there is no occasion to invoke the influence of the government to have the bill rushed through the committee now just because I suggest that we should put back into this act some of the wording that appeared in section 40 of the old act, and so galvanize the act into activity and life. That is all I ask. It is a simple matter. It is nothing revolutionary; it is simple justice to the consumers in Canada.

Let me show the committee what this means. I have under my hand the quantities of these bulbs that are produced in Canada, regular tungsten lamps. The round figures for the last few years were as follows:

1926	13,000,000
1927	14,900,000
1928	17,000,000
1929	17,000,000
1930	17,700,000

and so on. When I come to importations, however, I find that the only importations are arc lamps to a certain limited number, incandescent filaments, certain parts that go into the lamp, and incandescent metal filaments. These are imported, together with the small electric head, side and tail lights for automobiles, which are not manufactured here.

Mr. REID: I wonder if the hon. member would answer a question, just for information. In view of the fact that the United States imported about ten million light bulbs from Japan I wonder if the hon. member has any information as to whether Japan is included in that cartel he mentions.

Mr. STEVENS: I cannot answer that question with accuracy, but I can give my understanding of the situation. I speak subject to correction, if my hon. friend will accept it in that way. I believe Japan does not recognize patents at all. They simply ignore patents; you can take anything into Japan and manufacture it. That is really how they are barging into the export business of the world with such terrific effect. I make that statement subject to correction, but I think it is accurate.

We see, therefore, that this is a large business. I admitted this afternoon, as I admit now, that the manufacture in Canada cannot reach the volume it reaches in the United States, and therefore these bulbs probably can be manufactured more cheaply in the United States than in Canada. But

surely forty per cent protection should be sufficient. I say very definitely and clearly that if a duty of thirty per cent or forty per cent is not sufficient for the General Electric and these other companies in the manufacture of these articles in Canada, then there should be no duty and the market should be wide open. That seems to be a sufficient duty to protect them. This is a simple article. I am probably overstating the fact when I say that, but this is a comparatively familiar rather than a rare article. No doubt there are certain complex operations that enter into its manufacture, but it is something that is in daily use. I earnestly protest to-day, as I protested when I was a minister of the crown—there is the letter —that it is not reasonable—

Mr. GARDINER: Would the hon. member permit a question at this point?

Mr. STEVENS: Certainly.

Mr. GARDINER: The hon. member said the committee should take sufficient time to reintroduce a portion of the old act; I think he mentioned section 40. I should like to ask a question that seems pertinent. Of what use would it be to put a portion of section 40 back into the act when we have been operating under that act for many years past and that section has never been enforced?

Mr. STEVENS: I dealt with that question this afternoon; I will deal with it now perhaps a little more pointedly, and I thank the hon. member for bringing it to my attention. Yes, I submit that if we cannot do better we should reinstate a portion of old section 40 in this act. My hon. friend asks what good that would do, in view of the fact that it has been in the act right along and has not been enforced. This afternoon I said there were two phases to the administration of the Patent Act. One is the technical phase, the legal side dealing with patent attorneys and highly technical and legal matters pertaining to the issuing of patents. During my term in this house it is on that phase of the question that the patent commissioners in Canada have concentrated their attention. But there is another side to the patent law. The hon. member who followed me this afternoon, whose constituency I have forgotten for the moment, very pertinently pointed out that certain large corporations—for instance, those engaged in the manufacture of binders, which contain certain knotters and other parts of a more or less complicated and highly protected character—grew to their present large dimensions very largely because they controlled the patents. The hon. gentleman suggested that smaller manufacturers who might desire to produce some of these farm implements that contain these more or less technical and delicate parts, could not do so because they could not get the right under the patent laws. I believe it would be better for this country if we had a wider distribution of manufacture, for instance of farm implements and I will illustrate what I mean by that. It will serve to show what the hon. member has in mind and what I wish to emphasize, that more attention must be paid to the commercial side of the administration of our patent laws. What is the effect upon the farmers of our present system of manufacturing farm implements in Canada particularly the farmers of the west who are largely engaged in the growing of grain? Well, simply this, that the two big manufacturing companies, the Massey-Harris Company and the International Harvester Company, developed their business under high pressure salesmanship methods to the point where they had an output of about $30,000,000. I believe that is the figure, but some of my colleagues will correct me if I am overstating it. Recently that output dropped down to about $5,000,000, but in both these great institutions the overhead is carried into the unit production of $5,000,000 on the same magnitude as it was when they were manufacturing on a basis of $30,000,000 That is, on the unit basis the overhead charge was multiplied about six times The result has been that while the cost of raw material has fallen and while the cost of labour has fallen the actual reduction in the price of farm implements has been very small indeed. From the standpoint of economics it can be argued that we must take care of overhead, that that is sacrosanct. But is it fair or is it just; are we as a parliament warranted in perpetuating a law or a statute which makes such a course, shall I say obligatory, or imposes it upon the country?

What I would like to say is this: The administration of the commercial side of the patent law in my opinion should be placed under a board known as a board of trade and industry. If parliament does not like that I am quite willing to support any other reasonable suggestion, but I do say there should be commercial administration of a section or portion of this law. The same applies to many other statutes. They should be under the same body, department or branch of department. I am looking at it from the standpoint of the consumer or, in the case of farm implements, from the standpoint of

the farmer, so that these large corporations cannot store up in archives and freeze up in their vaults a large number of processes. I cannot speak with certainty based upon statistical investigation, but I am told on the best authority that many of these large corporations have valuable patents in their archives, patents which have never been used, which would be useful to the public and of which the public are entitled to have advantage. The use of these patents would result in lower prices of articles and, further, in an improvement in conditions. I am told over and over again, however, and I have discussed the matter with some of the principal men in these industries, that when a new process or new device is invented those who are manufacturing the article at present on the market which would be displaced by the use of the new device will spend very large sums of money to keep the new article off the market. I say a search should be made in the archives of these institutions.

I know the bill contains a clause which states that the commissioner of patents may insist that documents be filed showing what patents exist, and whether they have been used or have not been used. I am quite aware of that. What I am saying is that there ought to be some responsible body, board or branch of a commercial department which would look after this matter from a commercial standpoint and which would be in a position to stand between the public and those who are taking advantage of the public.

Coming back to my main point, I contend that there is a grave abuse of the Patent Act which is going on continuously and that no attempt has been made to rectify it. To-day when I bring the matter to the attention of the committee we are asked not to deal with it, and are told that the present revisions will be adequate. I submit that paragraph (c) of section 65 read in conjunction with the introductory paragraph and the other parts of the section will never be interpreted as applying to this condition. There is not a chance of its being so interpreted. "If the demand for the patented article in Canada is not being met to an adequate extent and on reasonable terms"—that is done after "the Attorney General of Canada or any person interested" has laid the matter before the commissioner of patents. We have a ruling in the present instance from the commissioner of patents that in his opinion there was no violation. I submit there was a violation, and I submit that no commissioner should be empowered to brush aside an additional duty of 125 per cent placed upon the cost of articles consumed by everybody. Such a condition should not exist without some efforts being made to correct it.

When I opened my observations I said I was not placing any blame upon the government, and I was not. But I say now, before I sit down, that if this bill is pushed through without notice being taken of these facts, then those who are responsible for pressing it through must take the responsibility in the country for what injustice may have been done.

Mr. YOUNG: Mr. Chairman, I do not think any person will accuse me of being partial to the views generally held by the hon. member for East Kootenay (Mr. Stevens), but in this matter I believe he is right. I do not mean by that that I am in favour of setting up a trade and industry board to administer the commercial side of the Patent Act. There are plenty of men now in the employ of the government, plenty of officials who could and should be entrusted with the efficient administration of the act. The abuses of the Patent Act outlined this afternoon by the hon. member for East Kootenay are scandalous. That any company or corporation should be dissatisfied with a duty of thirty or forty per cent and so take advantage of the privileges extended under a patent act as to gouge another one hundred per cent out of the people of Canada, and not only that but to deny them the right of buying the article from any other sources and deny them the right to bring it into the country, even when they comply with the law and pay the duty, is unthinkable. This parliament never intended that that condition should exist, and if they knew about it the people of Canada would not stand for it.

My good friend the Secretary of State says that any abuses existing to-day could be removed by an efficient administration of the act. Quite so. But I do not think we will get efficient administration of the act by leaving it, as he suggests, to responsible ministers of the crown. Attorneys-general and ministers of the crown are not always the best administrators of law of this kind. If they were all like the Secretary of State, and if all of them had the same high sense of duty and the same fearless courage, perhaps we would get the desired results; but all ministers of the crown are not like him. Only this year the royal commission on price spreads did ask a responsible minister of the crown for certain reports of the combines investigator into certain alleged combines, and those reports were flatly denied the commission. The reason the commission asked for the reports was that our investigations led us to believe that abuses

prevailed similar to those outlined this afternoon by the hon. member for East Kootenay. But the minister to whom I have referred flatly refused to give the reports. Under the circumstances I do not think a responsible minister of the crown is a proper person to enforce legislation of this kind.

It is true that any consumer or any person who suffers may make an appeal. Who is the man who suffers? It is the individual consumer. The amount it costs him to have an unfair practice existing is small, when considered individually; collectively it must amount to millions of dollars. To each individual however the amount is so small that he cannot afford to go to the expense of digging up the necessary information to make a complaint. I support the suggestion of the hon. member for East Kootenay that some responsible official should be placed in charge, and that it should be his duty to investigate these matters. When it is found that such abuses do exist, in my opinion the people who practice them should be denied all patent rights, and any patents they hold, when abusing them in that way, should be taken from them.

Mr. VENIOT: Apply the same principle to high tariffs.

Mr. CAHAN: Mr. Chairman, replying to the hon. member for East Kootenay (Mr. Stevens), I understood him to say that the letter which he says he sent to me was dated July 30. Is not that correct?

Mr. STEVENS: July 30, 1934.

Mr. CAHAN: July 30, 1934. About the first week in August I found on my desk a letter which is no doubt the letter to which the hon. gentleman refers. It was a matter with respect to which I thought there should be some consultation with him and with the law officers of the crown. I made inquiry and I found that my hon. friend had left Ottawa for the west and it was then useless for me to write and send after him letters addressed to a destination which I did not know, and I did not meet the hon. gentleman again until late in the autumn; I think it was late in October.

Mr. STEVENS: Was that immediately after the by-elections that he conducted in Ontario?

Mr. CAHAN: I did not meet him immediately after those by-elections. The next time we met was late in certainly the latter part of October. In the meantime this complaint received very careful consideration and I will say that the fact of the complaint being made

was one reason why we adopted the changes which I have indicated in this bill in connection with its administration. I have had some experience with blue sky laws in the central western states of the United States, and after that experience I still believe in responsible government; that is, in the administration of public acts by members of the government who are responsible to their colleagues in the government and to parliament, and it would take a very great deal of argument to change my opinion in this respect.

If it is deemed advisable to place the administration of this act under some such board as my hon. friend indicates, then the proper way to introduce such administrative action is to constitute such a board and to state in the terms of the act constituting it what its powers are, otherwise such act would have no special reference to the administration of this act, which is administered by a commissioner under the supervision of a minister of the crown. But section 40 of the Patent act, as it now exists and then existed, did not permit either the minister or the commissioner taking cognizance of such an alleged abuse as that stated in the letter to which my hon. friend refers, except upon the filing of a petition by a person interested, and that is why we place now the responsibility upon the attorney general of Canada with regard to the institution of such proceedings. Section 40 of the existing act proceeds under (b) to say:

> Any person interested may present a petition to the commissioner alleging that the reasonable requirements of the public with respect to a patented invention have not been satisfied,

or that the patentee has failed to manufacture adequately the patented invention in Canada, and so forth. Under the present act the basis of the commissioner's action is the presentation of a petition to the commisioner, and the parties to whom my hon. friend has referred never presented a petition, never instituted proceedings. If they were aggrieved all they had to do was to write a petition to the commissioner, not in formal terms but in any terms that came within the provisions of the act, alleging that these abuses existed. But there was no petition presented, and no such initiative taken in the letters which the hon. gentleman sent to the department with his letter, which I understand from my hon. friend was dated July 30. It certainly was received at my department, but only after my hon. friend had left Ottawa for his expedition into the west, and when I had no opportunity of consulting with him.

But in order that the department might have jurisdiction to deal with such matters

we have in this bill enlarged that section, as I have stated, by expressing that the attorney general of Canada or any person interested in the patent may initiate these proceedings, and that change is made for the express purpose of allowing a minister of the crown to bring the matter before the attorney general of Canada, who at the public expense can take the proceedings which heretofore depended upon private initiative. In making that change I think that we have obviated certain difficulties which have confronted us under the existing act.

As to the customs duties imposed upon electrical machinery and instruments I cannot discuss those at the present time. If they were very onerous, if they led to abuses, who rather than the Minister of Trade and Commerce should bring such matters to the attention of the government of the day, and although I sat assiduously in council I do not think I am violating any oath of office by saying that I do not recall at least, either in council or out of council, that my hon. friend ever brought such matters to the consideration of his colleagues.

But if there is any amendment which is now suggested to these clauses, why not let us have the suggested amendment and let us consider it on its merits. I tell this house with all the sincerity and faithfulness of which I am capable that I believe in adopting here the terms of the Patent Act which the long experience of the officers of the United Kingdom has found adequate to remedy just such or abuses similar to those complained of, adopting that very language, and then, by adding to the English Act the provision with regard to the attorney general of Canada taking initiative on behalf of the body politic at the expense of the treasury, I am going just as far as I can see that it is possible for us to go in providing efficient remedies.

I simply say again that under our Patent act as it is now proposed to be amended, with the cooperation of the attorney general of Canada as a colleague, I certainly believe that that act can be efficiently administered not only on the technical side, but also to compass the whole matter of commercial advantage which my hon. friends have in view. I cannot say any more than that. I am simply expressing my sincere opinion after four or five years' experience.

Mr. GARDINER: May I ask if by the attorney general in this act is meant the Minister of Justice?

Mr. CAHAN: Yes. The difficulty I had was to find in the old act some authority on the part of the attorney general to intervene, and we have provided in several sections of this act that he may now intervene and initiate proceedings on behalf of the general body politic.

Mr. GARDINER: I would like to ask the minister a question or two for information. The hon. member for East Kootenay (Mr. Stevens) this afternoon and this evening cited a case where an importer had imported electric bulbs into this country and had been communicated with by the solicitors of the Canadian General Electric, who pointed out to him that these bulbs imported into this country were an infringement of the patent rights of the General Electric. I do not know what has been the final result of that communication, but the question I want to put to the Secretary of State is this. Suppose the General Electric Company in the United States controls the larger volume or a very large volume of the patents in connection with electric bulbs; suppose it creates a company in Canada, the Canadian General Electric, to which it transfers the right to manufacture from patents owned by the parent company in the United States; and suppose that for various reasons the bulbs sold in Canada, manufactured by the subsidiary of the American company, are sold at a very much higher price than those sold by General Electric in the United States; is there anything to prohibit an importer importing into Canada electric bulbs made by the General Electric Company of the United States, the parent of the subsidiary company in Canada to which it has transferred its patent rights?

Mr. CAHAN: The answer is very simple. The patent which covers the territorial jurisdiction of the states of the American union and its territories is one patent; the patent which covers Canada is another patent. You may not, while a patent is in force in Canada, import from abroad that same patented article and bring it into Canada without a licence from the patentee of the Canadian patent. That is so in this and in every other country with the exception, possibly, of Japan; and it is so because we are bound by an international convention which so provides. But the remedy is this. In the first place, if the Canadian company holding the Canadian patent does not adequately supply the market in Canada, then under this act the Canadian patent may be revoked; and in the second place, if the Canadian patentee

does manufacture in Canada so as to supply adequately the requirements of the Canadian market and yet charges in Canada an unreasonable price for the manufactured product, then he may be compelled under this bill to reduce his price or to suffer the penalty of having his Canadian patent revoked. These are the remedies which we are now prescribing, and they have no particular reference to the duties imposed upon the import of electric bulbs. I do not know what those duties are. If those duties are too high, I, for one am prepared to consider the question of their reduction on its merits, as I always endeavour to do with respect to the imposition of protective duties for the protection of this market. But I have never, so far as I know, advocated the protection of the Canadian market in cases where I really believed that the Canadian producers were abusing that privilege and taking advantage of this market. I have always held that remedial measures should be found for that. But, in respect of this bill, I think we are prescribing effective remedial measures. If later this government and this parliament or another government and another parliament desire to place the administration of this act under some special board which is more or less irresponsible to the government and to parliament, that is a matter for parliament to decide; it is a matter with regard to which I now offer no opinion. But that measure for the creation, constitution and organization of a board may be adopted under legislation separate and distinct from this particular legislation which is now before the house; and the passing of this bill does not in any way prevent parliament in its discretion from enacting legislation which will create and constitute such a board as that suggested.

Mr. STEVENS: I will make one further suggestion. The hon. gentleman said he would be willing to consider the revision of the tariff. That has nothing to do with it. It does not matter what the tariff is, under the act as it is you cannot import these articles, and that is the point. They are using this act as a prohibitive tariff; that is what it amounts to. When I referred to their selling these articles at a price that amounted to an advance of 125 per cent over the duty paid price, I merely meant to indicate the extent to which the abuse of the act had gone. I should like to submit this to the Minister of Justice. Section 65, we are told, adequately deals with this aspect of the matter, but I claim frankly that it does not. Subsection 1, upon which the Secretary of State has fastened as his argument, reads:

> The Attorney General of Canada or any person interested may at any time after the expiration of three years from the date of the grant of a patent apply to the commissioner alleging in the case of that patent that there has been an abuse of the exclusive rights thereunder and asking for relief under this act.

All that does is to provide that the Attorney General of Canada or any other person may apply to the commissioner of patents and say that an abuse has occurred. But there is nothing in the section to say what the commissioner shall do; that has been deleted under the old section 40. I will suggest that we reinstate the major part of subsection (c) of the old section 40. I will move that following subsection 1 of section 65 of this bill there shall be a new subsection, which might be made 1 (a), and which will read:

> (1a) The commissioner shall then consider the petition and if the parties do not come to an arrangement between themselves, shall proceed to hear and determine the matter, and if it is proved to his satisfaction that the reasonable requirements of the public with respect to the patented invention have not been satisfied, or that the patentee has failed to adequately manufacture the patented invention the patentee may be ordered by him to supply the patented article within reasonable limits at such price as may be fixed by him and in accordance with the custom of the trade to which the invention relates as to the payment and delivery, or to grant licences for the use of the patented invention as may be fixed by him, in either case within and after such time as may be fixed by him and on pain of forfeiture of the payment.

I move that that clause be added to section 65.

Mr. CAHAN: In the meantime, while the hon. gentleman is drafting his amendment, I suggest that section 65 should stand until we see the exact terms of the proposed amendment, and as sections 65 and 66 are the ones under discussion and we agreed that those sections might be discussed together, I suggest that we proceed with section 67.

The CHAIRMAN: Section 64 is not carried.

Mr. CAHAN: I understand that there is no serious objection to section 64. Suppose we pass section 64 and let sections 65 and 66 stand for the present until we see the exact terms of the amendment.

Mr. RINFRET: I am afraid that sections 65 to 71 inclusive are all connected, and I do not think we should undertake to discuss section 67 until we have disposed of sections 65 and 66.

Mr. CAHAN: Suppose, for the purpose of taking up the remaining three-quarters of an hour, we reserve sections 65 to 71 inclusive.

Section 64 agreed to.

Sections 65 to 71 inclusive stand.

Sections 72 to 80 inclusive agreed to.

On section 81—Validity of patents.

Mr. CAHAN: I have a suggestion to make as to a slight change in this section. I think, after mature consideration and consulting with counsel, section 81 may be better expressed in this way, and I would ask the Minister of Pensions and National Health to move this amendment for me:

That section 81 be struck out and the following substituted therefor:—

81. Every patent heretofore or hereafter issued shall be deemed to have been properly issued if all the conditions of the issue of a valid patent which may have been or shall be in force, either at the date of the application therefor or at the date of the issue thereof, have been satisfied; but any provisions in force from time to time relating to the continued validity of patents after issue shall apply to all patents whenever granted.

The object of this section is that if everything in regard to an application for a patent has been completed, then that patent may be valid if granted in accordance with the terms of the application or granted under the new act, but any provisions in force from time to time relating to the continued validity of patent after issue shall apply to all patents whenever granted. I think that is a clear statement.

Mr. SUTHERLAND: I move accordingly.

Amendment agreed to.

Section as amended agreed to.

Sections 82 and 83 agreed to.

On section 26—Who may obtain patents.

Mr. CAHAN: May I revert for a moment to section 26? This afternoon I drafted two short amendments to this section but subsequently on a discussion of the matter with counsel, it was thought I could express that in clearer language in one amendment. I moved two amendments, in which there seemed to be some slight inconsistency, and I would ask the Minister of Pensions and National Health to move the following amendment:

That, in section 26, subsection 2, as now amended, be struck out and the following be substituted therefor:—

(2) Any inventor or legal representative of an inventor who applies in Canada for a patent for an invention for which application for patent has been made in any other country by such inventor or his legal representative before the filing of the application in Canada shall not be entitled to obtain in Canada a patent for that invention unless his application in Canada is filed,

(a) before issue of any patent to such inventor or his legal representative for the same invention in any other country; or

(b) within twelve months after the filing of the first application by such inventor or his legal representative for patent for such invention in any other country.

I do not think there is the slightest difference in meaning, but this draft is more concise and more free from ambiguity.

Mr SUTHERLAND: I move accordingly.

Mr. DUFF: Why is it necessary to use the word "legal"? Why not say "any inventor or his representative"?

Mr. CAHAN: Because in the beginning of the bill we defined who could represent the inventor and we used the term "legal representatives", which includes heirs, executors, administrators, guardians, curators, tutors, assigns and so forth, so as to cover the possibility of a man dying and his executors being able to proceed in his place, or, if he died without leaving a will, so that his heirs could intervene and proceed in his place.

Mr. RALSTON: It does not mean lawyers.

Mr. CAHAN: No; I think "legal representative" is the proper term.

Amendment agreed to

Section as amended agreed to.

Mr. RINFRET: Before we go back to the contentious clauses I should like to call attention to one clause we have just passed, No. 78. There seems to be a discrepancy between the marginal note and the section. Is there a technical mistake there?

Mr. CAHAN: I think it is the side note that is wrong. The side note is not a part of the statute.

Mr. GUTHRIE: The law clerk of the house corrects those notes.

Mr. CAHAN: The bill has passed through various changes and apparently an old side note has been kept.

Progress reported.

WEIGHTS AND MEASURES ACT

Hon. R. B. HANSON (Minister of Trade and Commerce) moved the second reading of Bill No. 70, to amend the Weights and Measures Act.

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

On section 1—Inspector.

Mr. RINFRET: I understand the minister is bringing in another bill?

Mr. HANSON (York-Sunbury): The order for the other bill was discharged this afternoon; it now forms part of this bill. That is the section defining a cord. We shall meet it in due course.

Section agreed to.

Sections 2 and 3 agreed to.

On section 4—"Cord" defined.

Mr. HANSON (York-Sunbury): This is new. Never before has there been a standard cord in Canada. We have had a great many representations on the matter, and it is thought wise to define what a cord is for legal purposes.

Section agreed to.

Section 5 agreed to.

On section 6—Articles in vessels.

Mr. HANSON (York-Sunbury): This is a section which carries into effect one of the recommendations of the royal commission.

Section agreed to.

On section 7—Director may be appointed.

Mr. POULIOT: This is a new job.

Mr. HANSON (York-Sunbury): No. The amendment corrects the title. If hon. gentlemen will look at the annotation on the opposite side they will see that the amendment corrects the title of the administrative officer in charge of this branch of the work of the department. He is called now a director of weights and measures instead of superintendent, but it is the same officer.

Mr. YOUNG: What is the "local standard?"

Mr. HANSON (York-Sunbury): The local standard is the standard of weights and measures that is used by the inspector in the various districts. It is derived from the departmental standard here in the department at Ottawa, which in turn is derived from the dominion standard which is the standard of weights and measures.

Mr. CAMPBELL: There is only one standard?

Mr. HANSON (York-Sunbury): It is the same standard.

Section agreed to.

Section 8 agreed to.

On section 9—Regulations.

Mr. HANSON (York-Sunbury): There is a slight amendment which I desire to offer to section 9. Section 52 of the act provides that the governor in council may from time to time make regulations concerning a large number of specified actions, the guidance of inspectors and so on. It is proposed by the bill to add subsection (k), the measurement of wood; and subsection (l) the weight of wrappers or containers of articles sold by weight—this arises I think out of the report of the price spreads committee—and subsection (m) the weight and quantity of contents of and markings upon packages or containers of goods, wares or merchandise at time of sale. It appears that no penalty clause has as yet been provided for the enforcement of the provisions of new clauses (l) and (m) of section 52. To take care of that situation and of the other subclauses of section 52 it was thought well to give to the governor in council the power to make regulations respecting the imposition of penalties for contravention of any regulation made thereunder. Some objection may be taken to doing it in that way, and there is another way to handle it, that is to provide a substantive penalty for any case not provided in any clause of the act. This is the way the Department of Justice have advised that this matter should be handled. Therefore I am going to ask my colleague to move an amendment to section 9 by adding at the end thereof the following subclause:

(n) the imposition of penalties for contravention of any regulation made hereunder.

Mr. GUTHRIE: I so move.

Mr. FRASER (Cariboo): May I ask the minister if it is under these regulations that fees are imposed for the inspection of scales?

Mr. HANSON (York-Sunbury): It is a provision of section 52 that the fees are imposed by the governor in council under the power of regulation.

Mr. FRASER (Cariboo): I would like the minister to consider a question which has worried me from time to time in regard to the imposition of these charges. This act is framed for the protection of the public, but

you make the individual who owns the scales pay for the inspection. I do not think that is fair, and I suggest that under this section and at this time consideration should be given to the removal of the charges for inspection of scales. I do not refer only to the actual amount collected, which is not very large; I want to point out to the minister that in collecting this money and making the returns more than half the time of the inspector is taken up, which limits the work he is able to do in connection with the inspection of scales. The fees collected are not large but they occasion a great deal of clerical work on the part of the inspector, who has to make out reports from time to time. In view of that and the further fact that the fees are imposed on the owner of the scales for the protection of the general public I think these fees should be removed entirely.

Mr. HANSON (York-Sunbury): I should like to observe in the first place that any representation made by an hon. member who is in the mercantile business, such as the hon. member for Cariboo (Mr. Fraser), naturally would receive a good deal of consideration, but I am advised that this section has been in the act since the first act was drawn in 1875. Of course it does not commend itself to me by reason of its antiquity alone, but this practice is followed in every country that has an inspection service; the service takes care of the cost of the operation. That is a principle we have on the statutes in connection with a great many other public services performed by governmental agencies for the protection of the public. The one that occurs to me immediately is in connection with the insurance act. If my memory serves me aright the entire salary of the superintendent of insurance is collected from the insurance companies. This is a service imposed on trade for the protection of the public, and at the moment I would not say it was wrong. The section in question is 53; I was in error when I said it was section 52. Section 53 reads:

> The governor in council may, from time to time, make a tariff of fees to be paid to the inspectors for inspecting and stamping weights and measures, balances, beams and other weighing machines, under this act.
>
> 2. The order in council containing such tariff and regulations and any repeal or amendment thereof, shall be published in the Canada Gazette.
>
> 3. The said fees shall form part of the consolidated revenue fund of Canada.

With respect to one other observation made by the hon. member, that over half the time of the inspectors is taken up in collecting fees and making reports, I am advised by departmental officers that this is not quite correct, that it does not take half but only a modicum of their time. I do not think any case has been made out for making this a free service.

Mr. MERCIER (St. Henri): What is the charge?

Mr. HANSON (York-Sunbury): There is a sliding scale. The ordinary scale is usually about $2.50, but the tariff runs from $20 in the case of a track scale down to 50 cents. I do not think the tariff is unduly high.

Mr. MERCIER (St. Henri): And how many times a year is an inspection made?

Mr. HANSON (York-Sunbury): At least once a year, under the law, but in view of what has taken place in the past I do not think that is often enough, and an effort is being made to have these inspections made more often.

Mr. BLAIR: Is the inspector's assistant paid?

Mr. HANSON (York-Sunbury): If the inspector employs a carter or someone like that he is paid a per diem rate by the department. I do not think that is charged to the retailer.

Mr. REID: In the case of gasoline pumps, a man may have four or five pumps; the inspector comes along and the man must pay $10 or $12.50. I have received many complaints in this regard. A man with only one pump pays only $2.50, but a man handling four or five kinds of gasoline is charged $2.50 for each pump, and I think that load might be lightened a little.

Mr. HANSON (York-Sunbury): I have had no official complaint in that respect; this is the first time I have heard of that matter during the six months I have been in office.

Mr. REID: I brought up the question last year and was given very little satisfaction.

Mr. HANSON (York-Sunbury): The departmental officers think that is a fair charge, and it has been fixed after long experience. I said I had received no official complaint; I did have a complaint from a retailer of gasoline living in a country district. He said his sales were very small, as naturally would be the case, but on the other hand the department had to send an inspector twenty miles to inspect that pump, and the fee did not cover the cost. I think we find that condition applying in all sorts of services; the man who has a large number of gasoline tanks

probably pays a little more than he should, but he makes up for the man in the poorer locality, so to speak, on the same principle under which we operate our free school act in New Brunswick.

Mr. CASGRAIN: In view of the disclosures made before the price spreads committee do the government intend to have more frequent inspections of scales?

Mr. HANSON (York-Sunbury): That is the intention.

Mr. CASGRAIN: How frequently?

Mr. HANSON (York-Sunbury): Just as frequently as we can. If the government will give the department more money we will have more inspections made.

Mr. MERCIER (St. Henri): Once a month?

Mr. HANSON (York-Sunbury): I do not think it would be fair to ask a man to pay for twelve inspections a year, but the intention is to stiffen up the inspections and have them made more frequently.

Mr. DUFF: You do not want to stiffen up the scales or they will not weigh properly.

Mr. HANSON (York-Sunbury): We try to keep them just and true. In recent years the vote for this service has been cut down, even previous to 1930. I think it should be increased in order to provide more frequent inspections for the protection of the public.

Mr. GUTHRIE: What are the revenues?

Mr. HANSON (York-Sunbury): The revenues are quite substantial. I think in all recent years the consolidated revenue fund has carried forward a profit of at least $100,000 annually from this service. In the past year the revenue was $403,448 and the expenditure $291,983, leaving a profit on the service of $111,465.

Mr. MERCIER (St. Henri): Were many scales confiscated?

Mr. BLAIR: A great many complaints have been made with regard to the inspection charges on gasoline pumps. The inspectors charge for going from one station to another, even when the tanks are only a short distance apart. Sometimes within a few rods you will have as many as fifteen pumps, and we think the charges are a little excessive. The inspector also charges for the man who accompanies him, who transports whatever apparatus he has with him. It has been suggested to me by several persons that the local chief of police or the village constable could very well look after this matter so that the inspector would not need to come once a month or even once a year.

Mr. HANSON (York-Sunbury): I am quite sure that in my hon. friend's constituency we could trust the chief of police or the local constable, but I do not think that would be a good policy to pursue for the protection of the public generally. With respect to the particular matter to which the hon. gentleman has alluded, namely the charge for moving from one set of pumps to another, that practice has been abolished for the last two years, so that that complaint, if such it was, can no longer be made.

Mr. SENN: I think that subsection (m) of this clause provides for authority to standardize packages by weight. Has any consideration been given to standardizing packages of canned goods according to size, so many inches high and so many inches in diameter?

Mr. HANSON (York-Sunbury): We submit that that should not come under the Weights and Measures Act. It should come under the Meat and Canned Foods Act, which is controlled by another department of government.

Mr. SENN: Are you not given authority here to standardize by weight?

Mr. FRASER (Cariboo): Let me repeat that I do not admire the stand the minister has taken respecting the antiquity of the measure. This is the time for change; we have a new minister, and he should be cleaning up his department. It is a good time for the new minister to show that he has new measures.

Mr. CASGRAIN: You will have to change the minister again.

Mr. FRASER (Cariboo): We had better give this fellow a chance to see what he can do. I am not very critical as to the amount of the charge, but I do suggest that after all the department is making nearly one hundred per cent profit.

Mr. HANSON (York-Sunbury): Oh no.

Mr. FRASER (Cariboo): My point is that if the department would do away with the collection of those fees and the reporting of them to the department it would give its officers an opportunity to cover their territories in less time and to do more work. I do not think the department would be

endangering anything. I admit I have not as much information on the subject as I probably should have, but I should like the minister to assure me that during the next year he will review the situation thoroughly.

Some hon. MEMBERS: Oh, oh.

Mr. FRASER (Cariboo): Oh, yes, he will; there is no doubt about his being in a position to review it. During the next year he will review the matter and see whether or not his departmental officials will agree with my suggestion, namely that it would be in the interests of the department to remove these small charges, thereby giving his officials an opportunity to cover their territories. I am not arguing against the inspection of scales, because I believe that is a very proper service. I do know however that during the year 1934 the inspector was not able to get into my district, and he told me the reason was he had too much territory to cover, and that a great deal of his time was taken up in reporting these charges. It is all very well to say it does not take up much time, but I happen to know it does take a great deal of time. The inspector must spend many hours of overtime to do his work and to look after the reporting of these charges.

Mr. HANSON (York-Sunbury): I shall certainly give the matter consideration, but it is my view that the making of a charge and the earning of money by the department makes for efficiency in the service. I am afraid that if no charge were made the inspection might not be just as strict as it ought to be. After all this is a service for the protection of the public, and I contend it should be an efficient service. On the principle of not paying for the service, I should have to be convinced by sound arguments that the country should stand an expenditure of half a million dollars yearly for the protection of the public, without any return. I believe the taxpayer has a right to this protection. Evidently it was the idea of the legislators who brought the measure into being in the first instance that the people who have and use the scales should pay. That principle has been in force for sixty years, and I should not like to promise to do away with it without having behind me a very large body of public opinion.

Mr. RALSTON: I believe we were considering an amendment to section 52. As I understand it the amendment provides that the governor in council is to have power to impose penalties.

Mr. HANSON (York-Sunbury): It provides for the imposition of penalties for the contravention of any regulation made under section 52.

Mr. RALSTON: As I understand it there are penalties provided in sections 63 and 64. Section 63 provides a penalty for giving short weights, and section 64 a penalty for the use of false or unjust weights, scales, and so on. Are there not other penalties provided in the act?

Mr. HANSON (York-Sunbury): There is a penalty in connection with section 61, for using other than dominion weights; in section 62, for selling articles otherwise than by avoirdupois weight; in section 65, for fraud by the use of false weights; in section 66, for the making or selling of false weights, and in section 67, for using unstamped weights. There is no penalty in connection with section 68.

Mr. ELLIOTT: Section 63 carries a penalty.

Mr. HANSON (York-Sunbury): Yes, that is important, as it involves a penalty for short weights.

Mr. RALSTON: As I understand it the minister is delegating to the governor in council the power to impose penalties for the breach of any regulation, without any limit as to the maximum or minimum of those penalties.

Mr. HANSON (York-Sunbury): That is a suggestion.

Mr. RALSTON: What does the minister think about the decision of the United States Supreme Court in connection with the matter of delegation? ?

Mr. HANSON (York-Sunbury): I would rather not discuss it. That is a very live question at the moment, and I should not like to give an opinion. I have not seen the decision.

Mr. RALSTON: I submit seriously that this parliament ought at least in some way to limit the penalties which may be imposed, or, to put it the other way, provide a maximum and minimum.

Mr. HANSON (York-Sunbury): I have an open mind on the matter. I would say to the hon. member that had it not been for the suggestion of the Department of Justice I would have done it in another way. I had in mind the passing of a special section

dealing with the contravention of any provision of the act for which no penalty is otherwise provided. If it is the view of the committee that that should be adopted, I would be agreeable.

Mr. RALSTON: Act or regulation.

Mr. HANSON (York-Sunbury): Yes, act or regulation. If it is thought that the matter should not be left to the governor in council I should be glad to take that into consideration. Personally I am not desirous of having it done, but as I said a moment ago the suggestion was made by the Department of Justice. I am quite agreeable to having a clause in the act providing that for the contravention of any provision of the act or regulation thereunder for which no special penalty is provided there should be a fine not exceeding $25 for the first offence and not less than $25 or more than $100 for any subsequent offence. I am in the hands of the committee.

Mr. RALSTON: As a member of the committee and with all due respect to the Department of Justice I would certainly concur in the minister's suggestion. While in some cases it may be the practice to give carte blanche to the governor in council to impose penalties, I believe the much better way is for parliament itself to provide penalties for the infraction of any regulation or statute.

Mr. HANSON (York-Sunbury): I shall be glad to accept the suggestion. I will ask leave, with the unanimous consent of the committee, to withdraw the amendment now proposed and to submit the following as section 81 (a) which I shall move, when we come to the end of the bill.

Any person who acts in contravention of any provision of this act or regulation thereunder for which no special penalty is provided shall be liable to a fine not exceeding $25 for the first offence and a fine of not less than $25 and not more than $100 for any subsequent offence.

Mr. RALSTON: May I suggest one word?

Mr. HANSON (York-Sunbury): Yes.

Mr. RALSTON: I would use the word "express" instead of the word "special," or have it read, "for which no penalty is expressly provided."

Mr. HANSON (York-Sunbury): The expression I have read is the one which the departmental officers suggested to the Department of Justice. I give notice now that at the conclusion of the bill I will move that as an amendment. In the meantime I would ask that the other be withdrawn.

Mr. ILSLEY: May I point out that section 82 contemplates the imposition of penalties by regulation, and with the new amendment proposed an amendment will be required to section 82.

Mr. HANSON (York-Sunbury): Section 82 deals with procedure entirely. We are making an express provision with respect to contravention of the act or of any regulations not provided for.

Mr. ILSLEY: But section 82 contemplates the imposition of penalties by regulation, which we are now abandoning.

Mr. HANSON (York-Sunbury): I am not so sure about that. I do not think it does. That is my immediate reaction, but I would have to study it.

Mr. ILSLEY: It says: "All penalties imposed by this act or by any regulation."

Mr. HANSON (York-Sunbury): But we have not provided in the act elsewhere for penalties by regulation, so far as I am aware.

Mr. RALSTON: We have by this amendment.

Mr. HANSON (York-Sunbury): I understand that it is because of the provisions of section 82 that the Department of Justice recommended the amendment which they did, which I have now withdrawn. I have an open mind on the subject, but my first thought was as I have suggested.

Mr. RALSTON: The suggestion of my hon. friend from Hants-Kings (Mr. Ilsley) is that the words "by regulation" in section 82 be struck out. Perhaps the minister will consider that.

Mr. HANSON (York-Sunbury): Perhaps we had better let that matter stand until we reach it.

Mr. ELLIOTT: Are the regulations changed frequently, or are they not subject to change very often?

Mr. HANSON (York-Sunbury): I understand that there have not been any changes for three years, so they do not come very often.

Mr. ELLIOTT: I think when we are dealing with penalties for breach of regulations, if the regulations have been very much the same for many years it is much better to embody the regulations as far as possible in the act itself than to leave them subject to change from time to time and have penalties imposed for a breach of regulations that we know not of.

Mr. HANSON (York-Sunbury): If I catch the hon. gentleman's idea correctly he suggests that the regulations should be embodied as substantive provisions of the bill. I do not think the department ought to be hampered by having to come to parliament to get regulations to meet the situation when, for instance some new scientific invention comes into general use. If we did not have the power to make regulations the department would be handicapped. I am advised that there have been no changes in the regulations since 1929.

Mr. ELLIOTT: If there have not been many changes, my argument is all the stronger.

Mr. DUFF: Referring to the amendment that the minister proposes to move, it seems to me that $25 is a pretty stiff penalty for a first offence, and that not less than $25 or more than $100 is also very high for a second offence.

Mr. HANSON (York-Sunbury): That is the maximum. The magistrate does not need to impose $25. The experience of the department is that magistrates are pretty lenient; ten dollars is about the average, and sometimes it is one dollar.

Mr. DUFF: It seems to me that it would be much better to have the penalty definitely set out in the act so that the magistrate would know exactly what to do instead of leaving it to his discretion.

Mr. HANSON (York-Sunbury): There is a minimum and a maximum penalty.

Mr. DUFF: I think $25 is too high.

Mr. HANSON (York-Sunbury): It all depends on the offence. It is very difficult to legislate here in advance. We do not know what the contravention of the regulation in question may be. With respect to sections 63 and 64, the short weights and unjust scales sections, the hon. gentleman will observe, if he reads the bill, that very severe penalties are suggested. However, it is very late now to go into that and I therefore move that the committee rise and report progress and ask leave to sit again.

Progress reported.

At eleven o'clock the house adjourned without question put, pursuant to standing order.

Wednesday, May 29, 1935

The house met at three o'clock.

PETITION

PROPOSED AMENDMENT TO DOMINION ELECTIONS ACT TO ENABLE MEN IN RELIEF CAMPS TO VOTE

Mr. ANGUS MacINNIS (Vancouver South): I wish to present to the house a petition that has been forwarded to me. This petition comes from British Columbia and is signed by 10,800 people. The prayer of the petitioners is that the government may amend the elections act during this session so as to enable the men in the unemployment relief camps to vote at the forthcoming election.

PRIVATE BILLS

FIRST READINGS—SENATE BILLS

Bill No. 76 for the relief of Nora Ellen Moore McCabe.—Mr. Bell (St. Antoine).

Bill No. 77 for the relief of Hildur Emilia Hill Soucy.—Mr. Bell (St. Antoine).

Bill No. 78 for the relief of Ethel Ellis Callow Randles.—Mr. Bell (St. Antoine).

QUESTIONS

(Questions answered orally are indicated by an asterisk).

SOLDIER SETTLEMENT BOARD

Mr. McPHEE:

1. How many employees are there in the soldiers' settlement board to be affected by Bill No. 62 (a) males; (b) females?
2. What percentage of total employees to be made permanent are returned soldiers?
3. What is the total administrative costs of soldiers' settlement board for 1933-34, showing (a) salaries; (b) travelling expenses; (c) stationery and equipment; (d) rentals?
4. What is the total number of (a) settlers with outstanding loans; (b) civilian purchasers of vacated soldier settlement farms?
5. What amounts have been collected by this department by district offices exclusive of prepayment, year by year since 1927, from (a) soldier settlers; (b) civilians?
6. What were the number of employees in this board when this government came into office?

Mr. GORDON:

1. (a) 245; (b) 88.
2. 98 per cent of the male staff.
3. (a) Salaries.. .. ..$ 591,687 03
(b) Travelling expenses.. .. 119,678 65
(c) Stationery and equipment 5,298 27
(d) Rentals.. .. ..

$ 716,663 95
Indian Soldier Settlement.. .. 5,625 44

$ 722,289 39
Note.—Office expenses in addition to above.. .. .. 18,403 41

Total.. .. ..$ 740,692 80

Rentals are paid by Public Works department.

Present annual rentals are $24,453.

4. (a) Soldier settlers. 10,828
(b) Civilian purchasers. 5,844
British families.. 2,061
Leased properties.. 1,980
Vacant properties.. 538

Total. 21,251

5. (a) and (b)

1927-28..	$3,452,104 51
1928-29..	3,209,377 46
1929-30..	2,727,697 62
1930-31..	1,189,723 84
1931-32..	1,169,045 35
1932-33..	886,729 33
1933-34..	969,056 14
1934-35..	1,059,447 89

Information for civilians as apart from soldier settlers not available.

6. 526.

BANK OF CANADA NOTE ISSUE

Mr. POULIOT:

1. What is the number of notes (a) English, and (b) French, issued by the Bank of Canada?
2. How many French notes were distributed (a) in the province of Quebec, and (b) in the other provinces?
3. Is the first issue exhausted?
4. If so, on what date will there be a further issue of notes?

Mr. CAHAN (for Mr. Rhodes):

1. As at April 30, 1935—(a) $43,566,688.50; (b) $8,690,005.

2. No record of circulation by provinces.

3 and 4. The issue is a continuing one. The Bank of Canada has advised that adequate supplies of notes in both English and French text have been shipped to all of its agencies and are being made available to the public, in accordance with demand.

MONTREAL PARCEL POST DELIVERY

Mr. POULIOT:

How many trucks begin parcel post delivery in Montreal (a) at or about 6 a.m., and (b) at or about 10 a.m.?

Mr. SAUVE: Fifteen conveyances for parcel post service report for duty at the different postal stations at 7.30 a.m.

Truck service starts at around 6 a.m. and 10 a.m. as the service requires for letter carriers' bundles and air service.

PARCEL POST DRIVERS' SALARIES

Mr. POULIOT:

1. What salaries are paid to parcel post drivers (a) in Westmount; (b) in Verdun; (c) at Station H; (d) at Station R; (e) in Outremont; (f) for Delorimier; (g) for Station C; (h) for Hochelaga; (i) for the Centre; (j) for the West; and (k) for Notre-Dame de Grace?
2. How many horse-drawn vehicles carry postal parcels in the city of Montreal?

Mr. SAUVE:

1. (a) $12 per week; (b), (c), (d), (e), (f), (g), (h), (j) and (k) $14 per week; (i) one at $14 per week and one at $15 per week.

2. 15 vehicles.

SUPERANNUATION FUND NO. 5

Mr. AHEARN:

Regarding the superannuation fund No. 5 as of date the 31st March, 1935:—

1. What is the amount transferred during the year from the retirement fund?
2. What is the amount of contributions for the year of employees including contributions on account of arrears?
3. What is the amount contributed during the year by the government?
4. What is the amount of interest earned during the year?
5. What is the total amount of the receipts placed to the credit of fund during the year?
6. What is the total amount of disbursements on account of annuities during the year?
7. What is the total amount disbursed on all other accounts during the year?
8. What is the balance standing at the credit of the fund?
9. What is the number of contributors?
10. What is the increase in the amount disbursed on account of annuities for the last fiscal year over the year ending the 31st March, 1930?

Mr. CAHAN (for Mr. Rhodes):

1. Nil.
2. $2,140,409.38.
3. $1,947,495.48.
4. $1,745,197.23.
5. $5,833,102.09.

6. $3,178,715.11.
7. $148,848.50.
8. $46,654,105.08.
9. 22,866.
10. $2,427,057.35.

WELLAND CANAL EMPLOYEES

Mr. BOULANGER:

1. What are the names, occupations and salaries of the persons employed by the government of Canada on the Welland canal?
2. What is the country of origin of each of the above persons?
3. How long had those persons been residing in Canada when they entered the public service?

Mr. MANION: We would not have the nationalities of people working on the Welland canal, because nationalities are not asked for in employing men for work on that canal. I shall be glad to try to get whatever else is asked for in the question, but I do not think there is any way of getting the information as to nationalities.

YUKON TERRITORY RELIEF EXPENDITURES

Mr. HANSON (Skeena):

1. How much money was expended in the Yukon territory out of the appropriation for relief purposes made at the special session of parliament, 1930?
2. What are the names and addresses of the person or persons entrusted with the expenditure of such money?
3. Who were the recipients of the relief granted?

Mr. GORDON:

1. $19,998.29.
2. G. A. Jeckell, Chief Executive Officer and Comptroller, Yukon territory, Dawson.
3. See lists attached.

THE UNEMPLOYMENT RELIEF ACT, 1930

Whitehorse district roads and Kluane junction to Minto section of the overland trail

In connection with the relief works carried out with the aid of the expenditures, payments were made for wages, materials, transportation, freight, team hire and board to the following:

Carvill, A.
Campbell, W.
Dickson, Adam
Ennis, E.
Grant, W.
Geary, L.
Good, R. J.
Good, Reed
Gaulter, Frank, Jr.
Gideon, Mrs.
Johnson, E.
Koloff, T.
Klondike Airways Ltd.
Mayer-Leason, F.
Maher, W.
McPherson, John
Mack, Fred. A.
Mack, E. K.
Puckett, W. A.
Somerton, E. J.
Skelly, G.
Sewell, John
Thomas, R.
Taylor, Wm.
Towle, O.
Wilson, Frank
Yellow Bus Line

Mayo district roads and the Klondike to Klondike section of the overland trail

In connection with the relief works carried out with the aid of the expenditures, payments were made for wages, materials, transportation, freight, team hire and board to the following:

Alplanalp, J.
Braiden, Jas.
Bond, J.
Beaton, Mike
Beck, Chas.
Boyle, Wm.
Barlow, O.
Booth, R.
Brennan, Jas.
Burns & Coy.
Binet & Lefebre
Binet Bros.
Campbell, Saml.
Clark, Jas.
Close, Archie
Chisholm, Jas.
Cody, Andrew
Chasni & Shegrin
Duncan, Geo.
Danker, Jos.
Darbolo, John
Forbes, Wm.
Grand, Oscar
Gauvin, W.
Gunn, T.
Gergish, Jos.
Graham, John.
Gillespie, Frank
Guilbault, W.
Hale, Fred
Henderson, H.
Harvey, Thos.
Hayden, W. S.
Hardy, Thos.
Hartrell, Mrs.
Johnson, Chas.
Jensen, P.
Jensen, C.
Knutson, Geo.
Keating, Thos.
LeClaire, A.
Lefebvre, J. B.
Matheson, A.
Moreau, Sam.
Morrison, Don
Miller, Oscar
Melozevich, Nick
McClosky, Jas.
McIntosh, Allan
McLennan, Archie
McLeod, Angus
McLellan, J. P.
McDonald, A. J.
McVitae, Archie
McInnes, Angus
Noble, Hugh
Northern Cmcl. Coy.
O'Brien, Jas.
Rankin, Chas.
Reid, George
Rohr, Harry
Rankin & Dubois
Sparks, David
Stewart, Arthur
Sinyard, Clem
Stone, Chas.
Stewart, John
Treadwell Yukon Coy.
Turner, A.
Taylor & Drury, Ltd.
Utilities, Mayo, Ltd.
Van Cleaves, The
Williamson, Thos.
Walsh, J. R.
Waters, Jesse
Wightman, Alex.
Wickman, Eric
Walby, Wm.
York, W.
Government of Yukon territory

Dawson district roads

In connection with the relief works carried out with the aid of the expenditures, pay-

ments were made for wages, materials, transportation, freight, team hire and board to the following:

Anderson, S.	Lloyd, Jas.
Alcorn, Robert	Lawrence, A. N.
Anderson, Edward	Landreville, Max.
Bernard, Wm.	McDonell, Donald
Betzner, Samuel	McIntyre, Angus
Brown, John	Mahan, John
Burt, E. C.	Molstad, M.
Biggs, W. H.	Matheson, A. J.
Bigg, A. A.	Mills, Geo.
Cameron, Ewen	McCrank, Jas.
Campbell, Lawrence	Nicholas, J.
Collins, David	Nicholas, Mrs. J. W.
Collins, W. F.	Overhill, C. G.
Cardinal, Al.	Olsen, Chris
Carroll, Jas. F.	Price, Eugene
Case, John	Peterson, Charles
Coulombe, John	Readford, Wm.
Donohue, John	Rochester, Richard
Dawson Hardware Coy.	Richardson, John
	Strugar, John
Elliott, W. H.	Sart, Chester B.
Fothergill, Chris.	Sullivan, Wm.
Ferguson, Wm.	Slocum, George
Farr, Waldon	Svendsen, S.
Fulton, Geo. E.	Scaife, Robt.
Fournier, Eugène	Sharples, Geo.
Fournier, Mrs. M.	Seagram, Chas.
Gray, John	Stadlbauer, Joseph
Hurst, Fred.	Smith, Geo. H.
Holmes, John	Skistad, Mrs. Nels.
Hawn, E. F.	Timm, Richard
Hill, J.	Thomas, J.
Hollenbeck, John	Tennelly, Wm.
Harrington, John	Thornburn, R.
Halkett, Duncan	Whitehouse, John
Hickey, E. E.	Wadell, Thomas
Jones, Ben	Wallace, C.
LaChasseur, M.	Zacaarelli, Ralph
Lind, Gus	

BOSSÉ, N.B., POSTMASTERSHIP

Mr. MICHAUD:

1. Has Antoine Ouellet been dismissed as postmaster of Bossé post office, in the county of Madawaska, New Brunswick?

2. If so, when was he dismissed, for what reason, at whose request or demand?

3. Who was appointed postmaster at Bossé post office, and upon whose recommendation was the appointment made?

Mr. SAUVE: 1. No.

2. and 3. See answer to No. 1.

MOTION FOR PAPERS

GRAND ALDOUANE, N.B., WHARF

Mr. MICHAUD:

For a copy of paysheets relating to the work done to the wharf at Grand Aldouane, Kent county, New Brunswick, by the Department of Public Works, during the last fiscal year.

[Mr. Gordon.]

BUSINESS OF THE HOUSE

ASCENSION DAY ADJOURNMENT—FURTHER PROPOSED LEGISLATION

Right Hon. R. B. BENNETT (Prime Minister) moved:

That when this house adjourns this day it stand adjourned until Friday, May 31st instant.

Right Hon. W. L. MACKENZIE KING (Leader of the Opposition): I am rising not to object to the motion, but to ask my right hon. friend if he could inform the house as to the intention of the government, whether we shall be sitting or again adjourned on Monday next?

Mr. BENNETT: I think we shall follow the usual course, calling it six o'clock earlier in the afternoon and then resuming in the evening. That is my present intention if that is satisfactory to the chamber.

Mr. MACKENZIE KING: May I say to my right hon. friend that I think we certainly ought to sit part of the day on Monday, and as nearly the whole of the day as may be possible.

Could my right hon. friend indicate whether what we have before us now, in the way of legislation on the order paper and proposed further legislation as set forth in the votes and proceedings, is sufficiently complete to enable us to form an estimate as to about the time at which the session will be concluding? I might mention that to-morrow it will be five years since the previous parliament dissolved. I believe that the people of the country are more concerned about getting an opportunity of expressing either their confidence or lack of confidence in the government, and their wishes as to the policies that are to govern in the future, than they are to have us continue here putting through a mass of legislation that cannot possibly, at this stage of the session and under existing conditions, be given the consideration it should. If my right hon. friend is in a position to indicate that he expects we will be able to complete the session fairly soon, that would I think meet with the approval of all.

Mr. BENNETT: While I suppose that strictly the motion before the house is not subject to debate, I may say that having regard to what transpired on Thursday, May 14, 1931, and to statements that were made since by some hon. gentlemen opposite, I thought it desirable that we should make the motion that now stands in my name. It will be remembered that the house on Ascension day, 1931, divided upon this question, unfortunately, and some of the members left the house. Hence I have always thought it

desirable that some arrangement should be made that would be satisfactory to all parties. We did sit in 1933, I think with the general approval of the house.

As far as the question of this house proroguing is concerned I may say that I am quite as anxious as any hon. gentleman to see it prorogued. As far as the question of an election is concerned, I have pointed out on more than one occasion that if we are to permit those who will be entitled for the first time to vote to have their names upon the lists, the business could not be expedited beyond what has already been done.

With respect to the legislation still to be introduced, I think this house probably has had more ample opportunity to consider legislation arising out of the report of the royal commission and the committee of the House of Commons on price spreads than it has had with respect to most legislation. It will be known to all members that there are some bills that have yet to be introduced to carry into effect the recommendations made by that commission. During the recess the law officers of the crown, with such legal assistance as they thought necessary, have been engaged in drafting the legislation. It has all been drafted, and numbers of the bills have been considered by council and are now upon the order paper. I hope that by Friday next all the bills that arise out of that report will be ready for submission to the house on the succeeding Monday, and notice will be given accordingly. That is our expectation. To those who have studied the matter it is only necessary to point out that there are large numbers of enactments upon the statute books of this country that cover many matters that are recommended for consideration of this house by that commission, and it is a somewhat tedious and tiresome and lengthy process to follow them all through in order that proposed legislation may not overlap existing legislation. However, I think that will be concluded, as I say, so that on Friday we may be able to give notice of the remainder of the legislation that arises out of those recommendations. There are one or two amendments to existing statutes that have to be made, as I mentioned the other day, but that should not engage the attention of the house for any great length of time. The resolutions arising out of the budget have not yet been enacted, I believe it was the intention of the Minister of Finance, if his health permits, to take those up on Friday in order that he may advance them as rapidly as possible.

I do not think there is any reason to believe that outside of the legislation I have mentioned and the legislation that is foreshadowed on the order paper with respect to a grain board, there is any other legislation of great significance, except as I have said some amendments to existing statutes, not of great importance, that will be submitted to the house. I confidently hope that by the middle of this coming week we shall have finished our efforts towards the enactment of legislation at this session. I can only assure the right hon. gentleman and members of this house that as far as we can we shall endeavour to facilitate the early prorogation of parliament, in order, as has been said by the right hon. gentleman, that the will of the people of this country may be made known.

Motion agreed to.

REVALUATION OF GOLD RESERVES

On the orders of the day:

Hon. IAN MACKENZIE (Vancouver Centre): I have a question to address to the Prime Minister (Mr. Bennett) in the absence of the Minister of Finance (Mr. Rhodes) whether in the recess of parliament an order in council was passed dealing with the valuation of the gold taken over from the chartered banks? If so, will the order in council be tabled?

Right Hon. R. B. BENNETT (Prime Minister): While I was absent during that period, I have only to point out that there is no authority in the governor in council to value gold at the present moment. One of the bills that may be submitted to the house is a permissive bill to come into force by proclamation in the event of it being thought desirable to revalue the gold reserves of the country. I have not any present intention of so doing, but it might well be that between now and the time the house meets again some government might regard it as desirable. My present intention is to submit to the house a bill, permissive in character, coming into force by proclamation, to deal with that matter. I think I can assure the hon. gentleman that no order in council has been passed, because there is no authority to do so.

Mr. MACKENZIE (Vancouver): My information is that an order in council had been passed pursuant to one of the sections of the Bank of Canada Act which gives the governor in council discretion to fix the valuation of a certain amount of gold taken over from the chartered banks either at $35 or $20.67. I wonder if that order in council has been passed yet?

Mr. BENNETT: I think perhaps the hon. gentleman has in mind an order in council that dealt with the percentage of the gold that the chartered banks had that was applicable

to their foreign obligations. I believe that an order in council was passed during the recess with respect to that. But it has nothing to do with the valuation of gold.

Mr. MACKENZIE (Vancouver): Can that be tabled?

Mr. BENNETT: Yes.

OREGON BOUNDARY

On the orders of the day:

Mr. THOMAS REID (New Westminster): I would direct the attention of the government to the fact that question No. 4 on the order paper was first read on April 15. As the end of the session may be in sight I ask that consideration be given to this question.

Right Hon. R. B. BENNETT (Prime Minister): If the hon. gentleman has a clear understanding of the implications of that question he will understand the difficulty in connection with an answer. Many inquiries have to be made with respect to it. It is a matter of first rate international importance, and a question of that kind is not usually asked in the House of Commons in that form. The question will be dealt with.

NATURALIZATION PAPERS

On the orders of the day:

Mr. JOHN VALLANCE (South Battleford): I wish to direct a question to the Secretary of State; whether in making application for naturalization papers it is necessary for the applicant to produce evidence that he is at present employed?

Some hon. MEMBERS: No.

Mr. VALLANCE: I hold in my hand three letters that have been sent to me from the west. The letters are from the Department of the Secretary of State and one paragraph reads:

> In reply to your communication of the 22nd ultimo will you be good enough to state whether or not you are permanently employed? A letter from your present employer will serve the purpose.

Hon. C. H. CAHAN (Secretary of State): I will look into the matter. Many considerations enter into the question of granting naturalization and the fitness and qualifications of applicants. I do not know of the case to which the hon. gentleman refers, but if he will give me the date of the letter—

Mr. VALLANCE: May 16.

Mr. CAHAN: —and by whom signed—

Mr. VALLANCE: One by Duggan, and two by Coderre.

Mr. CAHAN: If my hon. friend will let me see the letters I shall look into the matter.

[Mr. Bennett.]

UNEMPLOYED RETURNED SOLDIERS

On the orders of the day:

Hon. IAN A. MACKENZIE (Vancouver Centre): I should like to ask whether the government have yet received the report of the Hyndman commission dealing with unemployment among returned soldiers, and if it is intended to refer that report to a special committee of the house.

Hon. D. M. SUTHERLAND (Minister of Pensions and National Health): The report has been received and probably will be deposited on the table of the house at the beginning of the week.

GLOUCESTER RETURNING OFFICER

On the orders of the day:

Hon. P. J. VENIOT (Gloucester): I wish to direct the attention of some member of the government—I do not know exactly under which department the matter comes—to the conduct of the federal returning officer for the county of Gloucester. The St. John Telegram of May 28 contains the report of a Conservative provincial convention held in Gloucester county, which was presided over by Mr. A. V. Landry. Mr. A. V. Landry is the federal returning officer for the coming election, and I wish to direct the attention of the government to the actions of this gentleman.

Right Hon. R. B. BENNETT (Prime Minister): Immediate action will be taken in the matter.

PRICE SPREADS COMMISSION

On the orders of the day:

Mr. ROBERT GARDINER (Acadia): I wish to direct a question to the Prime Minister (Mr. Bennett). On April 12 the report of the price spreads and mass buying commission was laid on the table of this house. This report was based not only on the evidence taken by the commission but also on the evidence given before the special committee set up by this house last year to investigate these matters. On April 15 the hon. member for East Kootenay (Mr. Stevens) moved the adoption of this report. My question is this: Is it the intention of the government to afford this house an early opportunity to vote on this motion?

Right Hon. R. B. BENNETT (Prime Minister): Surely the hon. gentleman knows that a motion to adopt the report of a commission is not in order; surely he is aware of that fact. The mere fact that a portion of the evidence used by the royal commission

was taken by a committee of this house does not change or alter in any respect the fact that this is the report of a royal commission. That is the position of the matter.

Possibly I should add that the hon. member for Acadia must realize that the adoption of a commission's report involving the expenditure of public moneys, creating a charge on the public revenue, would be wholly out of order, because it must be preceded by a resolution with regard to the specific item.

Hon. IAN MACKENZIE (Vancouver Centre): Then why has it appeared on the order paper for the last two months? That is all wrong.

Mr. BENNETT: That will be discussed when the order is called.

PREVENTIVE SERVICE SEARCHES

On the orders of the day:

Hon. HUGH GUTHRIE (Minister of Justice): Yesterday afternoon the hon. member for Sherbrooke (Mr. Howard) inquired as to the activities of members of the Royal Canadian Mounted Police on the highway running from Sherbrooke to the international boundary on May 24 last, and the hon. member sent me a note requesting me to make a statement in the house to-day in regard to the matter. I have obtained a report in regard to the situation, which I will read to the house:

Tradespeople of Sherbrooke, Quebec, have made numerous verbal complaints to members of our local detachment to the effect that their trade is seriously affected because of the habit of many local residents of proceeding to shopping centres across the south of the line and failing to report their purchases at the local customs ports of entry when returning to Canada. The majority of the traffic passes across the line at Rock Island and Beebe, Quebec, and the offenders usually take special advantage of public holidays, when the volume of traffic passing through those ports will not allow a thorough check to be made of their cars at the Canadian customs, and when the local collectors have, to some extent, to rely on persons voluntarily declaring such goods, as required by the customs regulations.

In an endeavour to curb the traffic a check up of cars passing along the Rock Island-Sherbrooke highway is made periodically, usually at holiday times, and the results have justified the action taken.

At all times the searches are carried out with tact and courtesy and seizures are not effected even when justified, unless the value of the goods makes such action essential. The usual course followed is to direct the parties concerned back to the port and have them pay the duties and taxes which should have been paid when they were returning from the United States. If the terms of the Customs Act were strictly followed the goods and cars could be seized and held pending departmental decision and the guilty parties are liable to prosecution.

Incidentally, careful check has to be kept of traffic on this highway at all times, as will be realized by the fact that within the past six months a total of 270 gallons of alcohol smuggled in cars from the United States, as well as a truck and a car for transporting the liquor, have been seized. This traffic will have to be carefully checked during the coming season as last fall it reached large proportions along the entire Sherbrooke and Huntingdon sections, when several thousand gallons of American alcohol were seized in transit, being conveyed by automobiles.

It is not our desire to unnecessarily embarrass or hamper honest citizens or tourists, in the carrying out of our duties, but it will be realized that the primary function of the preventive service is the safeguarding of the revenue and of Canadian business from unfair competition through the evasion of duties and taxes properly payable. The fact that only one or two actual seizures have been made, whereas approximately a hundred cases could have been so reported in the past year, indicates our aim to curtail the smuggling in the interests of local merchants by educating the people regarding the necessity of complying with the customs regulations, rather than by effecting seizures in the particular type of case in question.

The total gallonage of American alcohol seized in the Sherbrooke and Huntingdon sections since April 1, 1934, to date, was 6,036, which was conveyed in three trucks and seventeen automobiles which were also seized for transporting the smuggled spirits.

That is the report given me by the commissioner of the Royal Canadian Mounted Police.

BEAM TRAWLERS

REPORT OF THE SELECT STANDING COMMITTEE ON MARINE AND FISHERIES

On the orders of the day:

Mr. I. D. MACDOUGALL (Inverness): I wish to direct a question to the acting Minister of Fisheries (Mr. Stirling) arising out of a resolution which I placed on the order paper this session and which was discussed by this house on February 6 of this year. The resolution read:

That, in the opinion of this house, in the interests of the fishermen of Nova Scotia, no permits should be granted or renewed with those who own and operate beam trawlers in in the province of Nova Scotia.

At the request of the acting minister the resolution was referred to the committee on fisheries. I find that on May 22 that committee made a report which dealt with another matter, and which contained these words:

Your committee has agred to report that, whereas the royal commission on price spreads and mass buying has investigated the subject

matter of the said resolution and made a report thereon, which may be the subject of discussion and consideration by parliament—

As I assure you it shall be so far as I am concerned.

—your committee is of the opinion that no useful purpose would be served by further investigation of the said matter by your committee at the present session of parliament.

The question I wish to direct to the minister, or through him to the chairman of the committee, is whether that report was concurred in by all the members of the fisheries committee or whether the matter was delegated to a sub-committee and, if so, who were the members of the sub-committee.

Right Hon. R. B. BENNETT (Prime Minister): The question will stand as a notice, but I do not know that it is customary to answer questions in this house as to how committees may divide in the determination of their business.

CUSTOMS EXEMPTION FOR TOURISTS

On the orders of the day:

Mr. VINCENT DUPUIS (Laprairie-Napierville): I should like to ask the Minister of National Revenue (Mr. Matthews) if the government have studied the advisability of granting an exemption of $100 to Canadian tourists returning from the United States, as has been the practice in the United States with regard to tourists returning from Canada.

Hon. R. C. MATTHEWS (Minister of National Revenue): Mr. Speaker, in answer to my hon. friend I would say that that question has been studied by every government for a considerable number of years.

Mr. DUPUIS: Is it the intention of this government to grant it?

Mr. BENNETT: We will proceed with No. 24 on the order paper.

Mr. DUPUIS: I want an answer.

Mr. BENNETT: You got it.

An hon. MEMBER: He wants it improved.

WEIGHTS AND MEASURES ACT

The house resumed from Tuesday, May 28, consideration in committee of Bill No. 70, to amend the Weights and Measures Act—Mr. Hanson (York-Sunbury)—Mr. Morand in the chair.

On section 9—Regulations.

The CHAIRMAN: Shall section 9 carry?

Section 9 agreed to.

[Mr. MacDougall.]

On section 10—Penalty for short weights, measure or counts.

Mr. RALSTON: I thought the minister was going to suggest an amendment to section 9.

Mr. HANSON (York-Sunbury): No, I withdrew the proposed amendment to section 9, which deals with section 52 of the act, and gave notice of a substantive section to be added as section 81 (a). We will reach that later.

Section 10 agreed to.

On section 11—False or unjust weights.

Mr. POULIOT: Does the interpretation of this section include consideration of expansion and contraction? At times some people may, even in good faith, give a little less on account of certain physical phenomena. Does the minister take that fact into consideration? Otherwise the legislation would be unfair to people acting in good faith.

Mr. HANSON (York-Sunbury): This section does not cover the point raised by the hon. member, but I understand the condition is taken care of by a thermostatic device used in testing scales, and that in that way an allowance is made for the matter the hon. member has mentioned.

Mr. MACKENZIE (Vancouver): Does this device apply to the measuring of gasoline which as a result of differences in temperature is being sold to the public in false quantities?

Mr. HANSON (York-Sunbury): That is taken care of by legislation relating to the commodity, but not to the device by which it is measured. We do not deal with that situation under this statute.

Mr. MACKENZIE (Vancouver): Where is it being dealt with?

Mr. HANSON (York-Sunbury): I am told it is not being dealt with, at all. If it is to be considered it will have to be considered by other legislation; at all events it is not contemplated by this bill.

Mr. MACKENZIE (Vancouver): May I ask the minister if it is his intention to consider the tremendous loss suffered by the consuming public, especially in regard to gasoline, occasioned by differences in temperature.

Mr. HANSON (York-Sunbury): Naturally, consideration has been given to the matter.

I must state frankly that my attention has not been called to it before but now that it has been I shall give instructions to have consideration given it.

Mr. MACKENZIE (Vancouver): I must thank the minister for his answer. The matter was called to the attention of his predecessor in office, and I am under the impression that it might best be dealt with by amending the Weights and Measures Act. Although I am not sure, that was my impression.

Mr. HANSON (York-Sunbury): I am advised that it cannot be done in that way. It will have to be done some other way. However I shall certainly look into the matter; this is the first time I have heard of it.

Mr. POULIOT: Does a definition of false and unjust weights appear in the act?

Mr. HANSON (York-Sunbury): No, there is no definition of false and unjust weights, but there is—

Mr. POULIOT: Well, judges cannot interpret legislation of that kind. If false and unjust weights are not defined, then it would be impossible to give a proper decision. This goes to show how badly and carelessly legislation is being drafted by people who know nothing about drafting it at all. Here we have a provision concerning false and unjust weights. A judge may say, "What is a false or an unjust weight?—the law does not show it." Here we have a bombastic gentleman saying that we are to have a new deal. What is there in a new deal, if the government does not define what is wrong? The minister states there is no definition of a false or unjust measure. Did the price spreads commission sit almost a year for nothing? The most important part of the legislation is to have a definition of the offence. The minister is an able lawyer, but he comes to this house with third-rate legislation respecting weights and measures, and we find that the definition is missing. How does the minister expect the law to be applied or a penalty imposed if a false or an unjust weight is not defined. Would he be kind enough to explain to me what his interpretation would be if he were on the bench and hearing a case of this kind?

Mr. HANSON (York-Sunbury): Well, I shall do the best I can for the hon. member, but I do not guarantee to satisfy him. Under section 64 there may be two classes of cases coming within the provisions of the statute.

Mr. POULIOT: What section?

Mr. HANSON (York-Sunbury): Section 64 of the act, which we are now amending. At the present time we are amending it in one particular, namely that of increasing the penalty for violation, as recommended by the royal commission on price spreads. That is as far as we have gone. There are two classes of cases which come under section 64 which deals with false or unjust weights. In the first instance an unjust scale means a scale with a mechanical manipulation capable of making the scale weigh unjustly, and the second interpretation is a proper scale improperly or unjustly operated through not being kept in true balance. These are the two types of cases which come under the section, and I believe the statute as it now reads has worked efficiently. There has been no demand for any change in that respect. All we are seeking to do in the amendment to section 64 is to increase the penalty for violation.

Mr. ILSLEY: I should like to draw the minister's attention to the fact that the offences indicated under sections 65 and 66 are in their nature more serious than those indicated in sections 63 and 64. I would suggest that those sections be amended so that the penalties would be at least as serious as the penalties under the first two sections I named.

Mr. HANSON (York-Sunbury): That may be true, but I would point out to the hon. member, who is a lawyer, that under sections 63 and 64 mens rea or intent to defraud is not an integral part of the offences, while it is under sections 65 and 66. The department has made a distinction because of that reason.

Mr. ILSLEY: That is exactly what I am saying.

Mr. HANSON (York-Sunbury): I did not understand it in that way.

Mr. ILSLEY: An offence where mens rea is a necessary element is a more serious offence. You have this situation. A person who innocently has an unjust scale in his possession is subjected to the heavy penalties prescribed by this legislation, while a person who wilfully commits a fraud under section 65 or wilfully makes or sells or causes to be made or sold any false or unjust weight is subjected to only a slight penalty which is utterly out of keeping with the seriousness of the offence.

Mr. HANSON (York-Sunbury): I do not think the question is a practical one. I

understand that there has not been a prosecution under section 65 or section 66 for years. It is a matter of opinion; perhaps the hon. gentleman is right; I am not going to back my opinion against his. The question does not arise at the moment under the legislation now before the house. We are trying to follow in this regard the report of the royal commission. That is the only observation I can make in regard to it.

Section agreed to.

Sections 12 to 14 inclusive agreed to.

On section 15—Size or capacity of containers, etc., to be in terms of dominion measure.

Mr. HANSON (York-Sunbury): I should like to make an observation in regard to this section. This is a departmental amendment and is altogether new, and public attention I think ought to be drawn to it. The amendment, as will be observed by the note on the opposite page, is designed to prevent the sale and use in Canada of articles such as domestic measuring cups, water bottles, preserving crocks, and so forth, in foreign wine sizes. For example, the wine five-gallon preserving crock contains only four and one-sixth imperial gallons but it is sold as a five-gallon crock and competes with and undersells the larger Canadian five-gallon crock. That is not fair. If we are to have the imperial gallon in this country we ought to carry it through to its legitimate conclusion. The intention is to stand on the imperial gallon in Canada.

Mr. GARDINER: May I inquire what provision is made by the department for the checking of these measures in order that they may be absolutely correct? A complaint was made to me some time ago that the cost of stamping utensils as measures for liquids was very considerable.

Mr. HANSON (York-Sunbury): These utensils are not measures at all, but they are examined at the time of importation or at the factory if they are made in Canada, and I understand that there is no fee charged for that.

Mr. GARDINER: But is there not a fee in the case of measures that are stamped?

Mr. HANSON (York-Sunbury): If it is inspected as a measure there is a charge, of course, for that, but the utensils referred to are not considered measures and the intention is so far as possible to eradicate the use of them as measures but not as utensils.

[Mr. R. B. Hanson.]

Mr. BROWN: There is no intention, I understand, of preventing their use as utensils?

Mr. HANSON: No, just as measures.

Mr. RALSTON: I do not think the section does what the minister thinks it does.

Mr. HANSON (York-Sunbury): Perhaps not, but the officials are of the opinion that it does.

Section agreed to.

Sections 16 and 17 agreed to.

Mr. HANSON (York-Sunbury): Last night we had a discussion in committee on the advisability of providing penalties by regulation. The sense of the committee was against that theory, and I am quite in accord with the view of the committee. But there are a few clauses of the bill in respect to which there is imposed no penalty, and it is thought by the department that it is necessary to have a general clause near the end of the bill which will provide for a penalty where it is not specifically provided for under the section. I therefore shall ask one of my colleagues to move the following amendment:

That the bill be amended by adding thereto at the end thereof the following as section 18 of the bill:

"81a. Any person who acts in contravention of any provision of this act or any regulation made thereunder for which no express penalty is provided shall be guilty of an offence and liable to a fine not less than ten dollars and not more than twenty-five dollars for the first offence, and not less than twenty-five dollars and not more than one hundred dollars for a second offence, or to imprisonment for a period not exceeding six months."

I have inserted the word "express" so that it reads, "for which no express penalty is provided" because the hon. member for Shelburne-Yarmouth (Mr. Ralston) suggested that.

Mr. GUTHRIE: I move accordingly, Mr. Chairman.

Mr. RALSTON: What is the penalty for the second offence?

Mr. HANSON (York-Sunbury): Any subsequent offence might be a second offence.

Mr. ELLIOTT: Is there imprisonment for the first offence?

Mr. HANSON (York-Sunbury): Section 82 provides for the procedure. It provides for the recovery of penalties under the Summary Convictions Act. It does not provide for

imprisonment but for execution or levy, unless it is otherwise provided for. I will read section 82:

All penalties imposed by this act or by any regulation made under this authority, shall be recoverable with costs—

(a) before any civil court of competent jurisdiction, by any person who shall sue for the same, and in such case the amount of the judgment, if not forthwith paid, may be levied by execution and sale of the goods and chattels of the offender; or

(b) if the penalty does not exceed fifty dollars by summary conviction before any justice of the peace for the district, county or place in which the offence is committed, and, if the penalty exceeds fifty dollars, by summary conviction before any two such justices.

That is any official having the authority of two justices of the peace, as my hon. friend knows. The section proceeds:

Subject to the provisions of this act, the provisions of the criminal code relating to summary convictions shall apply to all prosecutions for penalties.

Mr. ELLIOTT: I am obliged for that explanation but as I heard the amendment read it did not strike me as being very clear as to whether or not there was imprisonment for the first offence.

Mr. HANSON (York-Sunbury): No imprisonment for the first offence, and I do not think there ought to be. The amendment now before the chair, section 81A, would cover minor offences. The major offences would come under sections 63 and 64. As I construe the amendment the imprisonment attaches to the second offence.

Mr. MACKENZIE (Vancouver): It is not very clear.

Mr. ELLIOTT: It was not clear as I heard the amendment read whether the imprisonment related to both the first and the second offences.

Mr. HANSON (York-Sunbury): I think it follows the ordinary construction that imprisonment would apply only to the second offence.

Mr. MACKENZIE (Vancouver): But that is not very clear.

Mr. HANSON (York-Sunbury): I am only giving you my opinion for what it is worth, and perhaps it is not worth very much.

Mr. ELLIOTT: It could easily be made clear.

Mr. HANSON (York-Sunbury): If there is any doubt I think it ought to be made clear, and I will ask the Justice department to do it. I think I could do it just as well myself, but I will ask them to do it and put the responsibility where it belongs. If they come to the conclusion that it is necessary to clarify it, we can deal with it on the third reading.

Amendment agreed to.

Bill reported, read the third time and passed.

INDUSTRIAL DISPUTES

POWER OF MINISTER TO BRING ACT INTO OPERATION WITH OR WITHOUT COMPLAINT

Hon. W. A. GORDON (Minister of Labour) moved the second reading of Bill No. 71, to amend the Industrial Disputes Investigation Act.

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

On section 1—Minister may in certain cases, with or without application, order a board or recommend an inquiry.

Mr. MITCHELL: I should like an explanation of the phrase "subject to the legislative jurisdiction of the parliament of Canada." Does this mean that this legislation will cover every industry in the country which receives benefits under the tariff or otherwise, or will it apply only to companies holding dominion charters?

Mr. GUTHRIE: Mr. Chairman, this bill was originally drawn up in the Department of Justice and if the Minister of Labour (Mr. Gordon) will permit me I should like to explain the situation. On pages 136 and 137 of the report of the price spreads commission is a long and elaborate recommendation in connection with the extension of the provisions of the Industrial Disputes Investigation Act more generally throughout Canada, if possible to embrace practically all industries operating in the dominion. Careful consideration was given to this recommendation and a bill was drawn to carry out this recommendation in full. The opinion of the law officers of the Department of Justice was taken in regard to the matter as well as the opinion of two very able constitutional lawyers, Mr. Tilley, K.C., of Toronto, and Mr. Aimé Geoffrion, K.C., of Montreal. The opinion of the departmental counsel as well as of the two gentlemen whose names I have given was that if the bill was drawn up in conformity with the report of the price spreads commission it would be beyond the powers of the parliament of Canada. It therefore became

necessary to limit the operation of the bill by inserting in the first clause the words, "where in any industry subject to the legislative jurisdiction of the parliament of Canada," when certain things arise certain things shall be done. I do not need to state that there is no use in attempting to go beyond our legislative jurisdiction and it is for that reason that these words were put in the section.

Mr. HEAPS: What will be the effect of this legislation as compared with the present act upon any disputes which may arise?

Mr. GUTHRIE: If my hon. friend will read the section as printed and as it appears in the former act he will realize the difference. In the former act no single individual or the minister by his own motion could take action. This has been provided for in this bill, to apply to those industries which come under the control of this parliament. It is well within the knowledge of the committee that the Industrial Disputes Investigation Act as it appeared upon our statute book has been declared ultra vires by the judicial committee of the privy council. Acts very similar to the dominion act have been passed by various provinces and it is supposed that with the aid of these provincial acts there will be certain jurisdiction still remaining in the dominion. Where the constitution of this country expressly permits the provinces to do certain acts and excludes the dominion from interfering in such matters there is no such thing as concurrent jurisdiction. This parliament cannot devolve its powers upon the provinces nor can the provinces hand over their powers to the dominion. There is no conflict in the bill as it is now drawn and in the opinion of counsel it is within the constitutional powers of this parliament. We have gone as far as we could to carry out the recommendation of the price spreads commission and have made no attempt to override the clear constitutional authorities of the provinces of Canada.

Mr. HEAPS: I do not want the minister to imagine for one moment that I am not sympathetic to this legislation, in fact I only wish we could make it mandatory across the whole dominion. I realize the limitations of this bill when it comes to a practical application in connection with any dispute. I believe there are at present three provinces—if I am wrong I hope the minister or some other hon. member will correct me—which would come within the provisions of this legislation, Manitoba, Alberta, and perhaps one other province. The major portion of the country, therefore, particularly in so far as population is concerned, would not come within the ambit of such legislation. Personally I feel, sympathetic as I am to the basis of this legislation, it might have been a good thing had we attempted to bring about the end sought by amending the British North America Act and having the power confined to the federal parliament to pass legislation of this kind, so that there would be no doubt as to its validity. The minister in discussing the matter stated a moment ago that the provinces cannot delegate to the federal parliament the powers they possess. If that be so it is very doubtful whether the legislation which they have passed handing over their powers in respect of the Industrial Disputes Investigation Act is not ultra vires of the provincial legislature.

Mr. GUTHRIE: Very doubtful.

Mr. HEAPS: In this case this legislation has a very real effect in that if there is a dispute, it gives to the parties to it, or even to the government, an opportunity of appointing a mediator or someone who may step in and arbitrate or in some way attempt to settle the dispute. But if we are now attempting to do something that will eliminate disputes in the dominion, we should have attempted something more heroic than what is contained within this bill. I do not want to go into the other aspect of the question, that is as to dealing not merely with effects; I would rather see the government and parliament deal with causes and not so much with effects, because we could then make a great deal of headway towards the elimination of disputes before they even show themselves on the surface. I am naturally in favour of this legislation; I am in favour of anything that attempts to eliminate disputes, but I wish we could find some more heroic way of dealing with the whole situation than that contained in the bill now before the committee.

Mr. RALSTON: From the advice the Minister of Justice has received, what industries does he think would be subject to the legislative jurisdiction of the parliament of Canada within the meaning of this section? Is it his advice that this applies to companies incorporated under the Dominion Companies Act?

Mr. GUTHRIE: I would not go so far as that.

Mr. RALSTON: What then?

Mr. GUTHRIE: Anything over which this parliament is expressly given jurisdiction, such

as railways, telephones, telegraphs, shipping, matters of that kind, and I think also in regard to corporations incorporated under the laws of this parliament who do foreign trade, for instance, thus bringing the matter within the realm of trade and commerce. But I agree that a great many industries in Canada would not come within this provision at all; it is limited.

Mr. HEAPS: If parliament has a right to create tariffs for industries, has it not the right to step in when disputes arise?

Mr. GUTHRIE: I do not agree with that. I do not think I would go that far.

Mr. MITCHELL: As a matter of fact the bill as drawn at the moment does not touch the fringes of the problem brought out by the price spreads commission; we might as well be frank about the matter. I am not going to discuss the jurisdiction aspect of the question. This bill is perhaps a step in the right direction. All it touches is transportation and to some degree foreign trade, but as regards going to the heart of the situation brought out by the price spreads commission, the bill does not mean a thing. I think that is a fair statement to make. Frankly, I believe the Industrial Disputes Investigation Act is the best act of its kind in the civilized world. I believe that is a fair observation to make. I was under the impression that the provision in the bill "subject to the legislative jurisdiction of the parliament of Canada" would bring within its orbit those undertakings that expressly came within the purview of the price spreads commission and matters that in the judgment of that commission needed to be rectified. I can see the force of legislation of this description and I believe, in view of the proposed amendment, it could be made a really constructive measure if it included within its scope the industrial organizations and life of this country. Frankly I believe this is more or less in conflict with section 16 of the Industrial Disputes Investigation Act. I have had some experience with this legislation and I could never see why it was necessary to take a strike vote in order to ask for a board of conciliation or arbitration. It might be as well to read the section. Subsection 2 of section 16 reads:

> ... that the necessary authority to declare such lockout or strike has been obtained; or, where a dispute directly affects employees in more than one province and such employees are members of a trade union having a general committee authorized to carry on negotiations in disputes between employers and employees and so recognized by the employer, a statutory declaration by the chairman or president and by the secretary of such committee setting forth that, failing an adjustment of the dispute or a reference thereof by the minister to a board, to the best of the knowledge and belief of the declarants a strike will be declared.

I believe if that part of that section were eliminated, it would be a real step forward in an effort by the government of Canada to meet at least some of the difficulties that have been revealed by the price spreads commission. I believe the mere taking of a vote is a joke; you go into a meeting possibly with a clear understanding that you do not intend to strike, but you have to vote to strike in order to comply with the act. If negotiations have reached the stage where there is a deadlock between the two parties, it is more honest and in my judgment better policy to admit that frankly to the minister and let the board be set in motion in a normal way rather than go through the formality of a strike vote with all that that implies in the minds of the people of this country. I would put forward that suggestion, which I believe is a sound and also a constructive one, to the government in connection with the amendment of this legislation. I am disappointed that the scope of the amendment is not broader in regard to the industrial life of the dominion and particularly with regard to the findings of the royal commission on price spreads.

Mr. KENNEDY (Winnipeg): I am fully conscious of some of the technical difficulties in carrying out in their entirety the recommendations of the royal commission on price spreads, but there is a phase of the matter under consideration that I should like to direct to the attention of the minister. I think we all agree with the principle that if a strike can be prevented through any channel of mediation, that is for the benefit of the employee, the employer and the whole community. That principle is adopted in this bill, but as drafted it refers only to a matter of mediation or the appointment of a board of mediation in respect to disputes arising in connection with subjects over which the federal government has exclusive legislative jurisdiction. Would it not be possible to have the amendment to the act apply to industrial disputes of all kinds whether in relation to matters under the exclusive jurisdiction of the provinces or of the federal government by a provision to the effect that such board shall be appointed only where complementary legislation is passed by the province concerned? That is not a new principle.

Before dealing with this, let me point out to the committee that the members of

the royal commission, in submitting their recommendations on this subject, were impressed with the necessity of the powers of mediation being as wide as possible. Where a board is appointed only in respect to matters over which the federal parliament has legislative jurisdiction, it simply, as the hon. member for East Hamilton (Mr. Mitchell) has intimated, touches the fringe of the situation. We felt it was desirable that such boards should be set up to deal with disputes in whatever realm of jurisdiction they arose. Let me refer the minister to the old bill. I think conflict of legislation arose in connection with the administration of the former act, and that was overcome by an amendment. I refer the minister to chapter 112, section 3, subsection (d). Section 3 provides:

> This act shall apply to the following disputes only:—

And then it enumerates them. In the final subclause (d) it provides that the act shall apply to:

> Any dispute which is within the exclusive legislative jurisdiction of any province and which by the legislation of the province is made subject to the provisions of this act.

Mr. GUTHRIE: That is still in the act.

Mr. KENNEDY (Winnipeg): Yes, I realize that. That is the force of my argument, if there is any force to it. Why can we not in this amendment, instead of limiting the matter of setting up boards to questions over which the federal government has legislative jurisdiction, open it wide, with that provision already in the act? If we open it up wide, assuming for the moment that the government under this act is asked to set up a board in connection with some dispute within provincial jurisdiction, that province can pass complementary legislation.

Mr. NEILL: Have they done it?

Mr. KENNEDY (Winnipeg): Just a moment. That province could pass complementary legislation and then we could deal with it. You had the same thing in connection with old age pensions; it was held that the federal government had not jurisdiction to impose them upon the provinces, but under the act there was set up machinery whereby the federal government would contribute to old age pensions provided complementary legislation was passed by the province.

Mr. GARLAND (Bow River): The point is extremely important; I wonder if it occurred to the hon. member as chairman of the committee to get in touch with the provinces concerning the matter, so that it could be embodied in the legislation before the report came down?

Mr. KENNEDY (Winnipeg): It was not a question of getting in touch with the provinces. We investigated and reported what we felt should be done; it is then, I think, a matter for subsequent negotiation with the provinces where it is considered that complementary legislation by the provinces is necessary.

Mr. GRAY: Has not that been decided adversely in connection with the Marketing act in Saskatchewan?

Mr. KENNEDY (Winnipeg): I am aware of that. The hon. member for East Hamilton has dealt with the situation in a very practical way, apart from the technical difficulty. I suggest to the minister who has charge of the bill, further consideration of the possibility of making a provision that will apply to all industrial disputes, subject to complementary legislation being passed by any province affected, where the matter under dispute is one which comes under the provincial jurisdiction.

Mr. HEAPS: I think the hon. member for Winnipeg South Centre (Mr. Kennedy) will know that in many provinces they have acts dealing with industrial disputes. I do not know offhand which provinces they are, but I believe Ontario and Quebec have such acts.

Mr. GUTHRIE: All the provinces except Prince Edward Island.

Mr. HEAPS: So there is here some conflict of jurisdiction between federal and provincial legislation. To-day when a dispute occurs there is nothing to stop the parties from asking the federal government to appoint a board of arbitrators, irrespective of the provisions of this act. It has been done in the past in many instances, I believe, where the contest does not come within the provisions of the act, and I believe in some cases boards of arbitrators have been appointed with no mandatory power but merely at the request of the parties. I know that has been done in Winnipeg and I believe in other parts of Canada.

I should like the minister to tell us what provinces to-day have what you might call concurrent legislation in connection with the Industrial Disputes Investigation Act. And could the minister inform the committee as to how many boards were appointed by the Department of Labour say in the last year to mediate in disputes, and where, province by province?

Mr. GORDON: As to the first question, all the provinces of Canada except Prince Edward Island have passed legislation similar to this dominion legislation.

As to the second question, of course I have not the figures before me, but I agree with what has been said by the hon. member for East Hamilton (Mr. Mitchell) with respect to this legislation. It provides a method which in my judgment is the best possible to prevent or circumvent industrial trouble. I have had occasion to authorize the setting up of a great many boards in the last four years. The important thing is getting employer and employee together quickly, before they get in a temper and perhaps say things about each other that they really do not mean, and drift far apart. If you do not get a board set up with expedition great losses will occur by reason of the tying up of work. The present act, so far as it goes, and as far as the industries it affects are concerned, is probably as near perfection as legislation of this kind can be. The purpose of this amendment is not to take away anything that is at present in the act, but rather to widen its scope as far as this parliament can do so.

Mr. MITCHELL: If I may ask a question at this point: How much wider is it to-day than it was yesterday?

Mr. GORDON: Well, with respect to complaints, say.

Mr. MITCHELL: The machinery is there now; it already exists. If by the amendment there is no extension of jurisdiction it does not mean anything. I am a great believer in this form of legislation. Section 16 of the act gives all the power that is needed. Unless the purpose of this amendment is to broaden the base of application of the legislation it means nothing. I understand from the Minister of Justice (Mr. Guthrie) that all this amendment deals with now is jurisdiction and nothing else. The act has not been broadened. I thought the government would bring within its operation the steel companies, the textile companies, all these enormous aggregations of wealth and capital which derive benefit from the federal government through the instrumentality of the tariff. I am not well versed in the legal aspects of the question, but I think that if these companies can come to the federal government for benefits under the tariff it would be sound policy to bring them within this legislation so that the people employed in those industries could meet them on equal grounds.

Mr. GUTHRIE: I did not gather that that was the recommendation of the commission.

Mr. MITCHELL: That is what I understood.

Mr. GUTHRIE: We have tried to follow the recommendations of the commission. In the clause as originally drafted we did not have any restriction about jurisdiction. I think I am safe in saying that the best legal opinion in Canada was obtained, and these lawyers declared that the section as drafted, in accordance with the recommendations, was beyond the jurisdiction of this parliament. The remedy suggested was that we put in the words of limitation which appear at the beginning of the clause. It must be borne in mind that this is an amendment to only one section of the present act and that the rest of the act stands for what it is worth. Section 3, referred to by my hon. friend, stands just as it has stood. Very serious questions still arise as to the validity of that act, even with the aid of provincial legislation in eight provinces of Canada. If the provinces have the jurisdiction I am afraid that disputes will have to be settled under provincial jurisdiction, but this act has served a good purpose, because it is not being challenged and has not been challenged for some time past, and its operation has been very satisfactory. But the price spreads commission recommended certain things in regard to section 65, and we have sought to meet these recommendations by the legislation brought down, without interfering at all with the rest of the act.

Mr. NEILL: The only broadening of the section, as I understand it, is the addition of the words "or complaint," is it not?

Mr. GUTHRIE: The words underlined.

Mr. NEILL: It is provided that action may be taken by the minister in regard to any dispute, strike, lockout, and as now added—or complaint.

Mr. MACKENZIE KING: As I read the section it does not alter the scope of the act at all but it does give the minister an additional power with respect to complaints of a certain character, namely complaints regarding intimidation or discrimination. I think my hon. friends who have spoken will agree that in labour disputes the questions of intimidation and discrimination are highly vexatious to labour, and a fruitful source of industrial disputes, and that undoubtedly the interests of labour will be furthered by giving the minister an additional power to intervene on his own initiative where complaint is made to him that discrimination or intimidation is going on. As I read the section that is

what it does. It does not enlarge the scope of the act or remove any of the present provisions but it does give the minister the power to act on his own initiative in regard to that particular class of complaints, a class which I imagine means very much, particularly to employees in industrial concerns. So far as it goes the section in this respect is helpful, but I think it would be a mistake to over-emphasize what it amounts to.

Mr. CHURCH: I hope this bill will appeal to all parties in this house. New section 65 is a practical, reasonable, sensible section. It not only leaves the machinery of the original act; it adds to and strengthens that act by bringing in the federal inquiries act. It also gives the minister power to start an inquiry on his own initiative. During the time I was a municipal officer I saw a couple of hundred strikes, and I believe an ounce of prevention is worth a pound of cure in these matters. So I congratulate the minister upon having brought down this amendment.

Before I conclude I should like to ask one question. In view of the decision of the privy council in 1923 in the leading case in this connection, Snider versus the Attorney General of Canada and the Attorney General of Ontario, will this section apply to municipal public utilities such as light, power and transportation? As I see it there is nothing in this particular decision to prevent the Minister of Labour holding an inquiry into any industry or any municipal undertaking anywhere in the dominion under what is known as the Inquiries Act. Under this act boards are appointed to investigate many matters which are not federal in their scope. I should like to point out that many municipalities have hundreds of millions of dollars invested in public utilities such as light, power, transportation, water works and so on. Will this amendment apply to them, in view of the decision of the privy council?

I believe that in these matters the procedure should be carried through as rapidly as possible, and under this amendment the minister can act at a moment's notice, ahead of any lockout or strike that may threaten. He can have his officer under the Inquiries Act on the ground before there is any strike or lockout. The moment he receives a complaint, even if it is from only one employee, the minister can take action. He need not wait for the lockout or strike actually to happen; he need not wait for a formal complaint, as has been the case in the past. Previously it required an affidavit containing a formal complaint and there was an elaborate procedure that had to be followed, with the result that sometimes weeks went by before action was taken. So I congratulate the government on bringing down this amendment. By adding the Inquiries Act to the present statute they have brought about a new order of affairs that is badly needed in this country, and that I believe was never needed more than at the present time when there is so much unrest.

Mr. MERCIER (St. Henri): I followed the argument of the Minister of Justice very closely, and I agree with him that section 65 is constitutional and not ultra vires, because it contains these words:

—subject to the legislative jurisdiction of the parliament of Canada—

When I look at the French version of the bill, however, I find that we have no such bill at all; the French version is unconstitutional and ultra vires because those words have not been translated. Section 65 is translated as follows:

Chaque fois que, dans un industrie (qu'elle soit ou non une industrie à laquelle s'appliquent d'autres dispositions de la présente loi), une grève ou un lock-out est déclaré ou lui paraît imminent.

I am surprised that this should happen after what we were told when the new translations bureau was formed.

Mr. GUTHRIE: I am very glad that my attention has been directed to this point. The bill referred to by my hon. friend is the bill that was originally drawn and submitted to counsel, and upon which counsel's opinion was taken, as I stated this afternoon. It is not the bill which was introduced in the house, because those words that are in the English version are in the bill that was introduced, and those words should be in the translated copy. I introduced a bill yesterday in regard to hours of labour. On the files to-day, however, I find another draft bill, not the one I introduced yesterday at all. I directed the attention of the clerk to that fact to-day, but evidently the same thing has happened in regard to the bill to which my hon. friend has just referred.

Mr. MERCIER (St. Henri): This is the bill that is on the table for distribution to members of the house.

Mr. GUTHRIE: I do not know where the mix up has occurred but they have printed the wrong bill.

Mr. MERCIER (St. Henri): Then I would ask the Minister of Justice to see that the French version is corrected.

Mr. MACKENZIE KING: In reference to the drafting of this bill may I ask the Minister of Justice the purpose of the word "such" in line 26. I have read the section several times but I cannot see to what person or persons the word "such" refers. In the original bill the expression was "some person," which seems to me the correct expression. Perhaps my hon. friend can tell us to whom the word "such" relates.

Mr. GUTHRIE: I think "such" is the correct expression.

Mr. MACKENZIE KING: To whom does it refer? The section reads:

—the appointment of such person or persons—

Does that mean the person who makes the complaint?

Mr. STITT (Selkirk): Does not the word "such" apply to the words "as a commissioner or commissioners under the provisions of the Inquiries Act"?

Mr. MACKENZIE (Vancouver): Who are "such persons"; does it relate back to some persons previously designated?

Mr. MACKENZIE KING: The paragraph reads in part:

—the minister on the application of any municipality interested or of the mayor, reeve or head officer or acting head officer thereof, or of his own motion with or without application of either of the parties to the dispute, strike, lockout or complaint whether it involves one or more employers or employees in the employ of one or more employers, may establish a board under this act in respect of the dispute, strike, lockout or complaint or may in any such case, if it seems to him expedient, either with or without an application from any interested party, recomend to the governor in council the appointment of such person or persons as a commissioner or commissioners under the provisions of the Inquiries Act to inquire into the dispute, strike, lockout or complaint or into any matters or circumstances connected therewith.

Surely there must be some qualifying words?

Mr. GUTHRIE: Yes, some word should be in there.

Mr. MACKENZIE KING: I suggest the words "as he may deem proper."

Mr. GUTHRIE: "As he may deem proper" should be in there.

Mr. MACKENZIE KING: Yes, "as he may deem proper" I should think would be correct. Either that, or leave the word as it was. The original clause mentions the appointment of "some person"; that is all right. "Some person" would cover it.

Mr. GUTHRIE: Yes, it should be "some person," as it was in the former section.

Mr. GORDON: I move, therefore:

That section 65 be amended by striking out the word "such" at the end of line twenty-six and substituting therefor the word "some."

Some hon. MEMBERS: Carried.

The CHAIRMAN (Mr. MacNicol): Just a moment, please. The clerk informs me that the amendment should be in writing.

Mr. GUTHRIE: It is only a clerical error. We continually amend clerical defects without handing in written motions. If it is the wish of the committee the amendment could be agreed to without a written motion.

Amendment agreed to.

Mr. FACTOR: The intention of the price spreads commission is clearly set forth at the bottom of page 136 of the report. The first paragraph reads:

The appointment of boards of investigation should be encourabed not only when an industrial dispute threatens but also when complaint is made that improper intimidation or discriminatory action has been taken either by employers or workers.

I believe this section covers the first part of the recommendation. But section (ii) of the report recommends that—

... a wider range of industries and occupations should be brought within scope of the Industrial Disputes Investigation Act, or some related inquiries act. The dominion should have authority to investigate any industrial situation which may either endanger general economic welfare or create avoidable social unrest.

Under the old act the industries subject to the act are specifically mentioned. In the present instance, however, we find the words "subject to the legislative jurisdiction of the parliament of Canada." That expression is used, instead of specifying the industries.

Mr. GUTHRIE: The industries are still specified. We have not changed the act in that particular.

Mr. FACTOR: May I ask the Minister of Justice how the words "subject to the legislative jurisdiction of the parliament of Canada" in any way widen the range of industries and occupations?

Mr. GUTHRIE: It does not widen it in any way; it rather has a limiting effect.

Mr. FACTOR: Well then, that is the point I wish to make.

Mr. GUTHRIE: If my hon. friend would turn to the report he has just read he would find that the last sentence of paragraph (ii) at the bottom of page 136 reads as follows:

The dominion should have authority to investigate any industrial situation ...

But, if we have not authority, what are we going to do about it?

Mr. FACTOR: The only thing done by the present amendment is that it narrows the scope of the former legislation.

Mr. GUTHRIE: We are providing a remedy for the first recommendation read by the hon. member a moment ago. He was satisfied with that.

Mr. FACTOR: Yes it does that. But so far as the second recommendation goes, admitting that the dominion has no jurisdiction, by putting in the words "subject to the legislative jurisdiction of the parliament of Canada" we are narrowing the scope.

Mr. GUTHRIE: No, we are leaving it as it is, but we are making it definite that this section applies only so far as our legislative jurisdiction goes.

Mr. KENNEDY (Winnipeg): With respect to the point raised by the hon. member for East Hamilton (Mr. Mitchell), namely as to whether or not this measure broadens the basis of investigation, may I say that although I do not presume to speak for the minister I did have an opportunity to study the act and to discuss it with him. I understand there is a broadening effect. I would draw to the attention of the house that the title of the statute is "An Act to Aid in the Prevention and Settlement of Strikes and Lockouts in Mines and Industries connected with Public Utilities." I am informed, upon inquiry, that in giving their views as to the scope of the act the law officers of the crown have held that section 65 of the Industrial Disputes Investigation Act, as it stands, applies only to disputes affecting mines and industries connected with public utilities, as defined in section 2 (f) of the act. Under this section authority is given to the Minister of Labour, without application from either the employers or employees affected to establish boards of conciliation and investigation, either "on application of any municipality interested, or of the mayor, reeve or head officer or acting head officer thereeof, or of his own motion."

The main object of the present amendment, as I understand it, is to permit the establishment by the Minister of Labour of boards of conciliation and investigation to deal with disputes arising in other classes of industry. In support of that view I refer the house to the second line of the amendment to section 65. Hon. members will note that it reads:

Where in any industry subject to the legislative jurisdiction of the parliament of Canada—

And then in parenthesis—

—(whether or not it be an industry to which other provisions of this act apply).

Mr. FACTOR: Can the hon. member name me any other industry which would be covered under the new amendment—I mean an industry other than those mentioned in the old section?

Mr. KENNEDY (Winnipeg): I am not in a position to give a list of them, but I have indicated the intention as I understand it.

Mr. HEAPS: I do not know much about the constitutional side of the matter, and I am afraid that so far the discussion has not enlightened me. I am coming to the conclusion that the act is widened to a very slight extent by allowing those who have complaints to make them to the Minister of Labour who, if he so desires, may then appoint a committee to investigate. As an ordinary layman, Mr. Chairman, reading part of the new section dealing with the legislative jurisdiction of the parliament of Canada, I cannot for the life of me make that fine distinction which the lawyers of this house make in regard to that question. We have the power to deal with practically every industry in the Dominion of Canada by way of the tariff. We find the owners of industry coming to the government and parliament of Canada and applying for tariff protection or for a reduction of tariffs. They also get subventions, and in many other ways industries are helped through the legislative action of this parliament; but when it comes to a question of a trade dispute in that same industry we are told that we have no jurisdiction at all. That is a very fine point which the average citizen cannot understand. I say, Mr. Chairman, that if we have vested in this parliament the power to enact tariffs of fifty and one hundred per cent protection for an industry, then when that industry is not paying a reasonable or fair wage to its employees we have got in our hands a very potent weapon with which to compel the industry to pay its employees a fair wage and provide reasonable working conditions. Take, for instance, the textile industry, using that term in its broader scope. I think it is generally understood that we give to the textile industry anywhere from fifty to one hundred per cent

tariff protection, and yet we have in some branches of that industry some of the worst conditions we know of so far as labour is concerned. A perusal of the evidence that was given before the price spreads commission will in itself be a substantiation of the statements I am now making to this house, and what I am attempting to find out is this: If we have legislative jurisdiction over this industry by way of the tariff, and then one branch of that industry has a dispute with its employees with regard to wages or working conditions, have we not the power at least to appoint a committee to investigate the conditions in the industry and to arrive at certain conclusions, and then if the industry will not live up to the conclusions of that committee surely we have the power to take away from the industry the protection which parliament has given it? I think we have that power, and I think that the mere threat by the government to take away the protection that is granted to an industry would immediately bring that industry to time and compel it to provide fair and reasonable conditions for its employees.

Mr. KENNEDY (Winnipeg): Will the hon. gentleman permit me to interject at that point? If the federal government has the power to investigate these matters affected by tariffs, this amendment does not deny or take away from that power in any respect.

Mr. HEAPS: I am saying that we have the power to give these valuable considerations to the industries of this country, and in the bill now before the committee the term is used, "subject to the legislative jurisdiction of the parliament of Canada," and I cannot see how we can legislate for an industry in one sense and not in another. There is that fine distinction which it is difficult for the ordinary layman to understand. I claim that if we have the power to legislate for the purpose of providing an industry with the high protection it is receiving we ought to have the power, if not of fixing wages, at least of setting up a board of arbitration of some kind to investigate the conditions in exactly the same way as the commission on price spreads investigated industry.

Mr. KENNEDY (Winnipeg): If the hon. member will permit me, the reason that the federal government has legislative power to enact tariffs is because it is specifically set out in the British North America Act which gives the federal parliament jurisdiction over trade and commerce. Tariffs affect international trade, and so the jurisdiction there is very clear.

Mr. BURY: My hon. friend from North Winnipeg (Mr. Heaps) has overlooked this fact. These labour disputes he speaks of are disputes in specific establishments. Tariffs deal with laws relating to all establishments of the same kind, and what my hon. friend is asking is that the tariff and the authority of parliament over tariffs should be used for the purpose of enforcing fair working conditions in particular individual establishments. That is impossible. Tariffs deal with the whole trade of Canada. They deal with the trade and industry and the industrial interests not of any one particular establishment in an industry but of every establishment in that industry. Some establishments may be perfectly fair and honourable and humane in their conditions of work and wages and so on, while others may not be, and you cannot pick out one industry and treat it one way by means of the tariff and treat another industry under the same tariff law in another way.

Mr. HEAPS: I realize the force of the contention of the hon. member and it has been given considerable weight in times gone by, but in these days with the concentration of capital in fewer and fewer hands, and with the same concentration to be found in industry, there is not the same force in that argument as there might have been twenty-five or thirty years ago. Take, for instance, the textile industry as a very striking example. How many different concerns are there in the textile industry in this country? You may find three or four, but if you will look at the names of the directors you will probably find a number of interlocking directorates in those industries. In the cotton goods branch of the textile industry you will find very little of a spread of the industry across the country, so that if the employees in that industry were adversely affected I think the threat of tariff action by this parliament would in itself be sufficient to bring about fair and reasonable conditions in the industry. What applies to that particular industry is becoming applicable more and more to a great many other industries. I admit that there may be some force in my hon. friend's argument in connection with some industries, but generally speaking to-day the greater concentration of wealth and capital in fewer and fewer hands in my opinion gives this parliament in the tariff a very powerful lever by which to see that the recommendations of the price spreads commission are given practical application.

Mr. GUTHRIE: I think that my hon. friend's difficulty is what he first stated to the committee: if we have not the power now to do what the price spreads commission have reported we should amend our constitutional act. There may be some reason for doing so, but we have not as yet amended it, and we have not quite found the way to do it. My hon. friend from North Winnipeg (Mr. Heaps) must remember this, that the customs tariff comes under the jurisdiction of this parliament because the British North America Act says that this parliament shall have exclusive jurisdiction with regard to the customs tariff of Canada. On the other hand, the provinces are given exclusive jurisdiction in all matters of property and civil rights within the province. All matters pertaining to labour conditions, hiring and service and matters of that kind which generally lead to strikes, are within the exclusive jurisdiction of the province under property and civil rights within the province. That is the difficulty of the situation. We may be able to overcome it some time by an amendment to the constitution, but we have not done so up to the present time, and it is for that reason that this clause in the bill has been limited in the way it has. There may be a great deal of force in my hon. friend's argument. I do not say there is not, but we are going just as far as the constitution will permit us in carrying out the report of the commission.

Mr. GARLAND (Bow River): I am not at all convinced that there is not a method in the hands of any ministry at least to enforce fair wages or even go so far as to aid in the settlement of disputes by exercising the same jurisdiction which they have in granting tariffs in the withdrawing of those privileges. I see no reason, for example, why in the event of a dispute in the textile industry, as my hon. friend from North Winnipeg has suggested, the Minister of Labour should not in company with the Minister of Finance have a conference with the employers affected. It could be pointed out that in most cases protection was granted because it had been stated that higher wages were paid here than perhaps in New York state, in Japan or even in Great Britain. What is to prevent any government from going to these manufacturers and telling them that unless they keep their part of the unwritten contract there will be withdrawn from them that special privilege which constitutes a tax upon all the people of the country? For the life of me I cannot see any invalidity in that proposal and any ministry which really had the interests of the masses of the workers at heart would have no hesitation in using such a weapon. It is an apparent one, it is one which can be simply operated and one which can be used most effectively. Not long ago I remember a very extended debate which continued over several sessions in connection with the steel industry. I can remember hon. members who are now sitting in the seats of the government, including the Prime Minister (Mr. Bennett), then leader of the opposition, being very strong in their protestations against the increases in the duties on steel and iron products then being introduced by the Liberal party. Hon. members protested against these duties being put into effect before fair wages and decent working conditions obtained in the industry. A virtual obstruction of the house took place, one with which I thoroughly approved, but unfortunately at the last moment, for reasons with which I am not fully acquainted but which I believe were partly due to pressure brought to bear by the management of the British Empire Steel Corporation and others, there was a withdrawal of that opposition. At that time the Prime Minister and many of his faithful followers strongly urged, as we are urging to-day, the use of the tariff for the purpose of enforcing fair wages and fair working conditions upon any industry. What was a good and sound policy then is surely a good and sound policy now. All the arguments raised by the other side of the house do not invalidate the position then taken.

There is a further point which was raised a moment ago by the leader of the opposition (Mr. Mackenzie King). The right hon. gentleman stated that this amendment provided an extension of the industrial disputes act through permitting boards of arbitration to be set up in connection with complaints as to discrimination or intimidation. I should like to know from the Minister of Labour (Mr. Gordon), the Minister of Justice (Mr. Guthrie) or the leader of the opposition the proper procedure to be followed in the case of discrimination of the character which I shall now relate. I received a letter from the United Brotherhood of Carpenters and Joiners of America, local union No. 1779, Calgary, Alberta, which states:

> Contractors opened lists for the carpenters who had worked for them at various periods and many workmen hoped that after waiting many months for the work to begin, that at least they would be able to get a few days employment. Now we are to understand that the only hope of ever getting work on the barracks job is when his name is on the approved list which is furnished to the contractors.
>
> The members of local 1779 request that when parliament is opened that a protest be

vigorously made against the practice of using this patronage list, as it is debarring carpenters who are loyal and have been citizens of this country for the last twenty-five to thirty years, also a large percentage of the members being ex-service men. Owing to this approved list being used certain carpenters are being given employment by the various contractors on the scheme, thereby making it impossible for others to get employment.

There is a clear case of discrimination which is now being presented to the ministry. I do not know all the facts but I should like to know if the minister will appoint a board of arbitration to investigate this charge of discrimination in connection with the construction of a public building under the jurisdiction of this government. If it is possible to do this, why has it not been done?

Mr. GORDON: The bill has not been passed.

Mr. GARLAND (Bow River): Will the minister undertake that when it is passed he will make a proper investigation of this complaint and if these patronage lists are being used, see to it that they are done away with at once and provide a fair opportunity to carpenters and other craftsmen to obtain employment on jobs of this kind irrespective of political affiliations?

Mr. MACKENZIE KING: Has my hon. friend thought of the possibility of having the public accounts committee called together and of referring this complaint to it? This has to do with the expenditure of money on public works and the complaint of discrimination could be immediately dealt with in that way.

Mr. GARLAND (Bow River): I hope it will be dealt with in some way.

Mr. GORDON: If this bill becomes law and a proper complaint comes before me, there will not be any doubt about my taking action.

Mr. GARLAND (Bow River): This is a proper complaint. I will furnish the minister with a copy in writing of this complaint which comes from a responsible brotherhood local.

Mr. GORDON: I am not challenging that

Mr. MITCHELL: Would that particular complaint come within the jurisdiction of the present act or as it will be when this amendment passes? I think it will be found that the legislation is so circumscribed that it will be just too bad for these carpenters when they endeavour to have a board of conciliation appointed.

Mr. BURY: I should like to add a word or two to what I said before. I have the utmost sympathy with the principle that where in any particular industry generally there prevails a condition of low wages or poor working conditions the tariff should be used as a weapon of correction but I do not think that the tariff could be used as a weapon to end every strike which might occur. I suppose in nine cases out of ten strikes occur in individual establishments and I am afraid it would be absolutely impossible to use the tariff as a weapon in this connection, as suggested by the hon. member for North Winnipeg (Mr. Heaps). However, it can be used and I think it should be used to see that conditions in industries which are protected are such that the workers receive a proper wage and work under proper conditions.

Mr. HEAPS: That is a very good suggestion to come from the hon. member. If we had fair working conditions it would not be necessary to appoint these boards. The evidence submitted before the price spreads committee and commission showed that in the most highly protected industries the poorest working conditions prevailed. Before the government gives such tremendously increased tariff protection it should see that the conditions prevailing in any industry are such as to entitle that industry to the protection. If fair working conditions prevail I am sure that there will be but very few disputes; with fair working conditions I am sure we could get along without the legislation now before us.

Mr. GARLAND (Bow River): Should this legislation pass, is it intended to set up regulations and forms to govern complaints which might be made? Is there to be any particular form of complaint regarded as being necessary?

Mr. GORDON: The section does not prescribe any set form that would have to be followed by an applicant. Anybody can complain and the simplest sort of a letter, the simpler the better, would do.

Mr. HEAPS: In case of a complaint, is it compulsory for the department to appoint a board of arbitration?

Mr. GORDON: When a complaint is received under this section, the minister may, if it seems to him expedient, appoint a person under the Inquiries Act to inquire into the matter. I do not think the hon. member himself, with all his desire to advocate the position of labour, would suggest that the provision should be mandatory, because this

is giving to an individual the right to complain and one can easily see that if there was no discretion at all and it was mandatory that an inquiry should be set up on every individual complaint, we would have, I am afraid, to enlarge the capacity of the Labour department.

Mr. HEAPS: I quite understand that, but a question arises out of the answer of the minister. Could he tell the committee how many requests during the past twelve months were made to the minister for a board of arbitration and were refused?

Mr. GORDON: I assume what the hon. member means is requests for boards of conciliation?

Mr. HEAPS: Yes.

Mr. GORDON: At the moment I cannot remember one. There may have been some. Many disputes as defined under the act have arisen, but fortunately they have been settled and determined through the efforts of the conciliation officers of the department. It may be that boards, where it was possible to settle disputes in that way, were refused, but I cannot recollect any particular one. I do not remember where, when a board was applied for and the applicants complied with the statute, such a board was refused.

Mr. MITCHELL: The question raised by the hon. member for Bow River about complaints brings up an entirely different aspect of the matter. Who is going to decide? Take the question of a union shop, a closed shop. A couple of individuals make a complaint against a trade union under this section of the act which provides "either by employers or employees." The danger in the premises put forward by the hon. member for Bow River in my judgment is that it strikes at the very roots of organization on the part of the workers. I would like to know what was the necessity of inserting the word "employees." If the majority of the employees are organized in a trade union and some chaps outside it want to interfere in the strike to the detriment of the members of the trade union, I question whether those added words are going to be of any benefit.

Mr. GARLAND (Bow River): Before the minister answers, I assume the hon. member for East Hamilton does not wish to put words into my mouth. I did not raise the point, I asked the question. I understand the minister's reply has led to the peculiar situation raised by the hon. member for East Hamilton. I certainly would not endeavour to undermine the prerogatives of organized labour.

Mr. KENNEDY (Winnipeg): I would like to invite from the Minister of Justice an expression of opinion as to a point I raised a little earlier in the discussion, namely, whether with the aid of complementary legislation from the provinces it would not be competent for the federal government to set up boards of conciliation to settle industrial disputes whether they came exclusively within provincial jurisdiction or not.

Mr. GUTHRIE: It would be competent to set them up and they might do good service, but if they were challenged in the courts, I do not think they would be worth anything.

Mr. KENNEDY (Winnipeg): Would it not be desirable as a step forward to broaden this amendment instead of limiting it to industries subject to the legislative jurisdiction of the parliament of Canada, a provision which puts the clamps on it and confines it? These words were not in the legislation before; they now confine these matters subject to the legislative jurisdiction of the parliament of Canada. In my view they rule out the possibility, even with complementary legislation passed by the provinces, of investigating industrial disputes that come exclusively within provincial jurisdiction. So I suggest to the minister that the scope be broadened and that there be no limitation to matters coming exclusively within the jurisdiction of the parliament of Canada. If cutting out that provision does not add to our jurisdiction, yet it does not limit it, and we find, if we do not limit it to matters coming exclusively within federal jurisdiction, the provinces will be glad—this may be a pious hope and I may be too optimistic—to cooperate in passing complementary legislation under which, as the Minister of Justice has indicated, much good service may be rendered to industry. If it is held upon challenge to be unconstitutional, then we shall know definitely whether it is an amendment to the jurisdiction as set forth in the British North America Act that we should press for.

Mr. MITCHELL: That is already covered in the act. Section 3, paragraph (d) reads:

> Any dispute which is within the exclusive legislative jurisdiction of any province and which by the legislation of the province is made subject to the provisions of this act.

Mr. KENNEDY (Winnipeg): But section 65 has inserted in it the provision:

Subject to the legislative jurisdiction of the parliament of Canada.

Mr. ILSLEY: I have followed with interest what the hon. member for South Winnipeg (Mr. Kennedy) has said and I gather he is suggesting that a provision such as this be inserted after the word "Canada" in the second line of the section:

Or which is subject to the legislative jurisdiction of any province and declared by the legislature of that province to be subject to the provisions of this act.

Mr. KENNEDY (Winnipeg): Exactly.

Mr. ILSLEY. The section would then read as follows:

Where in any industry subject to the legislative jurisdiction of the parliament of Canada or which is subject to the legislative jurisdiction of any province and declared by the legislature of that province to be subject to the provisions of this act—

And so forth. I would call the attention of the Minister of Justice to that so that he may give it consideration and see whether it would effect the end desired by the price spreads commission and by the hon. member for South Winnipeg. If he would like to move it I will second it.

Mr. KENNEDY (Winnipeg): I realize in a Saskatchewan case—I think the Minister of Justice is familiar with it—that was recently decided, it was held that a province could not, by declaring a matter within its exclusive jurisdiction to be federal, make it federal; in other words, a province could not detract from its own jurisdiction and hand it over to the federal government, or vice versa. But I do not know that that is the final word on the matter. While that is a weakness, yet I think we make progress only by meeting these difficulties when they arise, and if it will do no harm to broaden the scope of this act and if there is a possibility of real service being rendered to industry, to employers and employees in the community, it is well to do so.

Mr. GUTHRIE: My fear is that if we pass that amendment we take a very serious chance on the whole clause. We have submitted to council a clause that we believe will stand the test. I would not like to weaken it now by inserting something that is highly controversial and that in my opinion would render the clause useless.

Section as amended agreed to.

Bill reported, read the third time and passed.

CRIMINAL CODE AMENDMENT

Hon. HUGH GUTHRIE (Minister of Justice) moved the second reading of Bill No. 73 to amend the Criminal Code.

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

Section 1 agreed to.

On section 2—Sections 1035 and 1081 not to apply.

Mr. BROWN: I understand the purpose of this section is to make it obligatory upon a magistrate to impose a gaol sentence upon anyone driving an automobile while under the influence of liquor. Is the minister satisfied that this section will accomplish that purpose? I understand that sections 1035 and 1081 refer to exceptions that may be made in the imposition of gaol sentences and that this clause does away with those exceptions so that the imposition of a gaol sentence will be obligatory. I think this offers an opportunity to bring to the attention of the committee and of the country a very serious condition of things. To my mind the man who operates a motor car while under the influence of intoxicating liquor is a potential criminal. I am fully in sympathy with the law being applied to the utmost in imposing a gaol sentence upon a man who causes an accident while driving an automobile when he is under the influence of drink. But there is a serious aspect to the matter which I do not think the public as a whole considers; that is it has never yet been decided how to determine when a man is drunk and when he is sober. So long as this confusion prevails the evil resulting from the use of intoxicating liquor is not going to be remedied. I saw a statement the other day to which I think the committee should give serious consideration, that so long as the idea prevails that a man is not drunk so long as he can stand on his feet, just so long will the statistics concerning the connection of alcoholic liquors with motor accidents be valueless. They are entirely useless because of that attitude on the part of magistrates. That is the situation which confronts us. It has been proven by scientific test that the first drink is the dangerous one.

Some hon. MEMBERS: Oh, oh.

Mr. BROWN: I know this becomes a subject of ridicule, but that has been proven, that the first drink of alcohol incapacitates a man from acting quickly.

Mr. KENNEDY (Winnipeg): Does the hon. member speak from his own knowledge?

Mr. BROWN: A man loses his ability to come to a quick decision. We know that an accident may happen or be avoided within a few seconds of time. It is not a matter of minutes but of seconds, with the speed at which motor cars travel now. While I am perfectly satisfied that the intention of this legislation is good I do not think it will accomplish the desired end so long as many magistrates take the position they do, that a man is not drunk so long as he can stand up. I say again that scientific tests have proven that a man's ability to come to a quick decision is seriously affected from the time he takes his first drink.

Mr. COTNAM: Will you explain the scientific test?

Mr. BROWN: At the moment I have not got the information at hand.

Mr. LUCHKOVICH: May I ask the hon. member whether the first drink ever had that effect on him?

Mr. BROWN: I have not taken the first drink yet, if the hon. member wants to know.

Some hon. MEMBERS: Hear, hear.

Mr. BROWN: I did not intend to make that statement, but since it has been drawn from me, I do make it. I want to bring this to the attention of the committee, that it has been proven beyond question that a man's ability to come to a quick decision is affected the minute he takes a drink of alcoholic liquor.

Mr. MALONEY: My hon. friend has made a very serious statement, something that many of us never heard of before. We desire greatly to have the authority.

Mr. BROWN: I know the tests have been made again and again; just at the moment they are not under my hand but there is no question that as long as magistrates refuse to recognize a man as being under the influence of intoxicating liquor as long as he is able to walk, any statistics we have as to the connection between alcohol and motor accidents are absolutely valueless.

Mr. GUTHRIE: This section is drawn for the purpose of clearing up any difficulty which may have arisen in respect to penalties imposed under section 285, subsection 4 of the criminal code, which provides:

> Everyone who while intoxicated or under the influence of narcotics drives any motor vehicle or automobile or has the care or control of a motor vehicle or automobile whether it is in motion or not shall be guilty of an offence and liable upon summary conviction for the first offence to a term of imprisonment not exceeding thirty days and not less than seven days, for a second offence to a term of imprisonment not exceeding three months and not less than one month, and for each subsequent offence to a term of imprisonment not exceeding one year and not less than three months.

It has been held by magistrates in various parts of Canada that under the provisions of section 1035 of the act they are still permitted to impose a fine instead of the penalty of imprisonment, and fines have been imposed in some cases that have been brought to the attention of the department. In one part of Canada it has been decided by magistrates that under the provisions of section 1081 they are entitled to suspend sentence altogether in cases arising under section 285, which I have just quoted. I am satisfied that it was not the intention that these sections should apply to the offence mentioned in section 285, subsection 4, and in order to clear up the matter and make it definite this amendment to the criminal code is proposed. If the amendment is adopted it will not lie within the power of magistrates either to impose a pecuniary penalty or to impose what we call suspended sentence. There is no other amendment of the section contemplated.

Mr. MACKENZIE (Vancouver): May I ask who recommended this amendment?

Mr. GUTHRIE: I think it was the attorneys general of two provincial governments.

Mr. BROWN: Is there not just this possibility, however, that since a magistrate will be obliged to impose a gaol sentence he will be even a little more lenient in judging as to a man's condition while driving an automobile?

Mr. GUTHRIE: I think our magistrates will carry out the law without fear or favour. We do not appoint them; they are appointed by the provincial governments, but I think on the whole they try to do their duty.

Mr. CHURCH: On April 17 I gave notice of an amendment to this bill, which is reported in the votes and proceedings of that date, but in view of the amendment introduced by the minister I wish to withdraw my amendment. But I hope that during the recess something will be done in addition to what is proposed to-day with regard to these motor accidents. Two or three people are killed daily in the larger cities of the country, and I think public opinion demands some further legislation along these lines. I also hope

that something will be done with regard to level crossings as well, and that this is only the start of modern legislation to help check the great loss of life on our highways throughout Canada.

Mr. ROSS: It seems to me the punishment in regard to these cases is hardly correct. A man who has been convicted once should not be given an opportunity to offend again; I do not think he should be given a licence after the first offence.

Mr. GUTHRIE: That would be a matter for the provinces.

Mr. ROSS: Quite so. I do not agree with the remarks of the hon. member for Lisgar (Mr. Brown); so far as I know the tests are the opposite of what he indicated. A person is first stimulated; then when the depression begins it always takes effect upon those centres which are the latest developed; that is, speech is one of the latest. First the speech is stimulated; then the speech is one of the first faculties to become depressed.

There is one point that has not been dealt with, and that is a definition of just what "under the influence of a narcotic" means. You can easily detect whether or not a man has been using alcohol, whether it is his first or his hundredth drink, but the question of narcotics is a very dangerous matter. A man may have an ordinary dose of a narcotic and suddenly, without any fault on his part, he may become numb and depressed and unable to exercise his mental faculties. I think it would be a very dangerous thing, under this provision, to rule that imprisonment should be the punishment. It is not the same thing as intoxication; there is an absolutely normal dose of a narcotic which will affect different people in different ways. The same may be said about alcohol, but it is a fact that under certain conditions a moderate dose of a narcotic administered even by a doctor may have a very depressing effect upon the man and may cause an accident. It would be very severe to punish a man for something for which he was not responsible. I think every doctor in this house will agree that a dose of a narcotic may have a peculiar effect upon even an ordinary normal man or patient, and that a normal dose may bring about a very abnormal result. I do not say anything in favour of intoxication but I do think it is rather dangerous to sentence a man to imprisonment when suffering from a condition such as I have mentioned.

Section agreed to.

On section 3—Making untrue or misleading statements to procure a passport.

Mr. ELLIOTT: I wonder if I might say a word with regard to section 1, which was passed before I noticed that it was the clause to which I intended to object on the ground that it is another case of delegating to somebody the power to make what is practically a new section of the criminal code. Section 1 provides:

> The Minister of Agriculture may make regulations with respect to the carrying out of the provisions of subsection two of this section, and may, by such regulations, impose such penalties, not exceeding in any one case five hundred dollars, for any violation of any such regulations, as he deems necessary for ensuring the observance of the same.

This delegates to the Minister of Agriculture the right to make regulations, without any limitation in this section as to what the regulations may be, the penalty for the violation of any of which may be $500. That is bad legislation, and protest has been made against it before. It is very similar to the clause in the weights and measures legislation to which objection was taken last night. I would suggest to the Minister of Justice that a carte blanche of that kind should not be given to anybody. I should like to hear the minister on the point.

Mr. GUTHRIE: It has been done so often that I believe we might venture once more to do it. It was done by the government in which my hon. friend was a minister, and it has been done by previous Liberal and Conservative administrations. Section 235 of the act already allows the Minister of Agriculture to prescribe certain penalties in connection with pari mutuel betting. This is rather to extend his power.

Mr. ELLIOTT: That is worse.

Mr. GUTHRIE: I believe some one in authority ought to be in a position to regulate these matters and to prescribe penalties. It is not going beyond what we have done in other cases; whether or not the principle is sound I am not prepared to say.

Mr. ELLIOTT: When we are getting up to a penalty as high as $500 this house should name the offence for which that penalty is indicated.

Mr. GUTHRIE: It is a fact in connection with illegal betting and pool selling.

Mr. ELLIOTT: But we do not know what the offence is, and some one may be compelled to pay a fine of $500. Surely that is not good legislation.

Mr. GUTHRIE: Well, you have to have a pretty stiff penalty for some of the people engaged in these operations.

Section agreed to.

Section 4 agreed to.

On section 5—Penalty.

Mr. WOODSWORTH: Is the minister referring to a subclause of section 4?

The CHAIRMAN: I am not calling the subclauses, unless it is so desired.

Mr. WOODSWORTH: We are dealing with section 415A?

The CHAIRMAN: On page 2 of Bill No. 73.

Mr. GUTHRIE: Section 5.

Mr. RALSTON: Will the minister advise us as to any advice he has received regarding the constitutionality of this section?

Mr. GUTHRIE: When I introduced the bill I intimated that there was at least doubt about the right of this parliament constitutionally to enact sections 5 and 6 of this measure. I believe I would do well to state those difficulties to the chamber. The law officers of the Department of Justice were asked to examine the proposal, because it arises out of the recommendations of the price spreads commission. In drafting sections 5 and 6 the idea was as closely as possible to conform to those recommendations. In the department we were aware that there was serious doubt in regard to them, and we not only took the opinions of departmental lawyers but we also submitted the bill to two of the leading counsel in Canada, namely, Mr. W. N. Tilley, K.C., and Mr. Aimé Geoffrion in order that we might obtain their views. In the first place I may say that the most we have received by way of advice in the matter is that there is doubt as to the right of this parliament to enact parts of these sections, not because they are absolutely bad in the judgment of counsel, but because they are doubtful. The opinion of the law officers of the crown is that clause 5 presents some difficulties. Paragraphs (a) and (b) purport to make it an indictable offence to employ a person at a rate of wages less than the minimum fixed by law or any competent authority, or to permit an employee to work beyond the maximum hours fixed by law or any competent authority.

Paragraphs (e), (f), (g), and (h) of section 5 are similar in character and would appear to be of very doubtful validity since they seem to be designed to provide penalties or additional penalties for the enforcement of provincial law. Section 92 (15) of the British North America Act gives to the province exclusive jurisdiction respecting the imposition of punishment by fine, penalty or imprisonment, for enforcing any law of the province. I would think these paragraphs to be of doubtful validity. Section 6 forbids certain unfair trade practices and renders them criminal, and would seem to be valid.

The opinions of counsel whom I have named are summed up in the following statement by Mr. Tilley:

Section 4 is, in my opinion, clearly intra vires. Section 5 is also, I think, intra vires. Legislation regarding minimum wages and maximum hours of labour must, except in cases where the dominion has a special jurisdiction, be enacted by provincial legislatures, and the legislature may of course create sanctions for the enforcement of its laws; but this does not prevent the dominion from making certain practices, in evasion of provincial law, crimes and of punishing them as such. The result may be an inconvenient exposure to a double liability, but that possibility affords no argument against the right of the dominion to exercise its powers.

Subsection (1) of section 6 is, I think, of very doubtful validity, but sections (2) and (3), are, I think, valid.

Subsection (1) does not prohibit any contract between the seller and the purchaser for the sale of goods. It attaches penal consequences to the seller granting more favourable terms to competitors of the purchaser. It seems to me to be an attempt to interfere with provincial rights and an encroachment on the provincial legislative jurisdiction. There is nothing in the nature of the transactions themselves or in the language of the subsection to indicate that the public interest is being protected or that a wrong against the community is being prevented. The object seems to be to compel traders to sell to all competitors on uniform terms having regard to quantity and quality. It seeks to regulate dealings by a trader with those who are as amongst themselves competitors, and will apply largely to transactions entirely within a province. There is no compulsion to sell to all such competitors who desire to make purchases, but if sales are made and the contracts are not on the prescribed footing, the seller, according to the subsection, commits a crime. No purchaser is obliged to pay what his competitors pay and may secure more favourable terms by purchasing from a seller who has no transactions with his competitors. Accordingly, a seller may commit a crime if he meets the terms offered by one of his competitors. It is somewhat difficult to understand how such an interference with the contractual liberty of a particular trader can genuinely be determined by parliament to be in the public interest. The court is entitled to consider whether parliament has so genuinely determined or has attempted under the guise of criminal law to control the civil rights of persons entering into commercial contracts within the province. The subsection does not prohibit transactions of a class particularly described; indeed all the contracts made with the purchaser and his

competitors would seem to be valid notwithstanding the provisions of subsection (1). The sole test of criminality is, has a trader carrying on business in competition with other traders given more favourable terms to a purchaser than he has accorded to the competitors of the purchaser. A trader making a sale on particular terms may, therefore, commit a crime, whereas his competitor making the same sale would not. It is difficult to express an opinion on the question whether the court will hold that legislation which takes the form of criminal law is colourable and is in substance an invasion of the provincial field. All I can say is that in my opinion the subsection is of very doubtful validity, and I incline to the view it is invalid.

Subsections (2) and (3)—

Mr. RALSTON: That is the opinion of Mr. Tilley?

Mr. GUTHRIE: Yes.

Mr. RALSTON: He has mentioned subsections (2) and (3). I suppose he means (b) and (c).

Mr. GUTHRIE: He calls them subsections (2) and (3).

Mr. MACKENZIE (Vancouver): He has done so two or three times in his opinion.

Mr. GUTHRIE: He must mean the lettering. He continues:

Subsections (2) and (3) prohibit engaging in policies of selling at lower prices in a particular area—

Mr. RALSTON: That is (b) and (c).

Mr. GUTHRIE: (reading)—

—in a particular area than elsewhere for the purpose of destroying competition or eliminating a competitor and selling at unreasonably low prices for a similar purpose. I think the court would hold that parliament genuinely determined that the commercial activities described in these subsections were to be suppressed in the public interest and would maintain the validity of the subsections. I am of opinion that the court would treat these subsections as separable. If the provisions of section 6 were embodied in three sections, they would clearly be separable and I can see no reason for making a distinction because they are in subsections. While the second and third subsections might not as between themselves be separable, they are I think separable from the first subsection.

I am sorry that I did not bring Mr. Geoffrion's opinion; I brought two of Mr. Tilley's, but Mr. Geoffrion's opinion is to the same effect. He also casts doubt on the same portions of these sections. I point out that neither of these learned counsel gives an opinion that the sections are invalid but at most that they are doubtful.

Mr. RALSTON: The law officers of the crown I understand give the opinion that this section 5 is invalid.

Mr. GUTHRIE: Yes, that is the opinion of the law officers of the crown.

Mr. JACOBS: Mr. Chairman, I have been in this house for twenty sessions and this is one of the most extraordinary statements that I have heard made by the Minister of Justice who is piloting a bill through and inviting the house to pass it. He has no confidence in it himself. I can see that, and apparently the gentlemen who were asked to give him advice have about the same confidence as the minister has.

Mr. MACKENZIE (Vancouver): It is a mockery of parliament.

Mr. JACOBS: Now is it right for the minister to invite members of the house to pass this legislation when we are told on the face of it that it practically is worthless? I cannot understand the attitude of the government at all. I remember the Prime Minister making the statement earlier in the session that the recommendations of the price spreads commission, when they finally made their report, would be backed up by legislative enactment but he presupposed, I am sure, that it would be within the jurisdiction of parliament to enact the legislation. Surely the Minister of Justice when he presents this bill as he does, with a black eye cannot expect us to pass it. It would be an affront to parliament to ask us to do this thing in the face of the opinions expressed by these learned counsel, by the Minister of Justice himself and by the law officers of the crown. I think the Minister of Justice would be well advised to ask the permission of the committee to withdraw this bill.

Mr. GUTHRIE: No, Mr. Chairman, I will not ask the permission of the committee to withdraw it at the present time. As I stated when the bill was originally presented to the house, it was drawn with the intention of complying as far as we possibly could with the recommendations of the price spreads commission. Had the opinions that we have obtained been definite opinions removing any doubt on the question that these clauses were invalid or ultra vires I would agree with my hon. friend. We have a report from a commission definitely recommending certain amendments to the criminal code, and rudely to brush them aside without presenting them to parliament would not be I think proper action on the part of myself or of the government. But as they are of only doubtful validity I thought I would submit them and have them discussed by this house and I stated so originally when I introduced the bill.

Mr. JACOBS: Now it has been introduced and has been discussed.

Mr. GUTHRIE: I do not think it has been discussed yet. It can stand a lot fuller discussion.

Mr. JACOBS: We have the opinion of the Minister of Justice that he thinks it is worthless.

Mr. GUTHRIE: I have not said so. Please do not put words into my mouth. I have said they are of doubtful validity. If these clauses are examined it may be the opinion of this committee that until they are attacked in the courts they should stand in the bill. I do not say that is my opinion.

Some hon. MEMBERS: No.

Mr. GUTHRIE: But I am giving the committee an opportunity of passing an opinion on the point. I think myself that they would be very inefficacious even if they were passed. I do not believe you could ever support a prosecution on them because you never could prove your case. But the commission has made very definite recommendations in regard to the matter and I felt it my duty unless—

Mr. MOTHERWELL: Does the minister consider the government bound to follow the recommendations of this commission or any other commission appointed by the government?

Mr. GUTHRIE: Not in a case which is definitely beyond our powers; I would say no.

Mr. FACTOR: Where did the commission recommend that the clauses respecting unfair trade practices be embodied in the criminal code?

Mr. GUTHRIE: Just a moment, I think I can tell my hon. friend.

Mr. MOTHERWELL: No government I ever heard of held itself responsible to carry out the recommendations of any commission.

Mr. GUTHRIE: Replying to my hon. friend, from Toronto West Centre (Mr. Factor), I refer him to page 135 of the commission's report, dealing with certain industrial relations, policies and practices, and recommending that permitting employees to work beyond the maximum hours fixed by law, the falsification of any employment record, child labour and so forth be made a criminal offence. Then on page 246 of the report the commission recommends an amendment to the criminal code in regard to false and misleading advertisements. There may be other references in the report but I mention those.

Mr. FACTOR: I do not think there was anything in the recommendations of the committee along the lines of section 6 of the bill or recommending that these so-called unfair trade practices be embodied in the criminal code. We did suggest the establishment of a federal trade commission which would issue orders to desist from such practices, and in default of obeying such order we recommended a penalty under the criminal code.

Mr. MACKENZIE (Vancouver): I just want to support what the hon. member for Cartier (Mr. Jacobs) has said. I must say that in my very limited experience of five years I have never seen such a miserable exhibition as we have had in this house this afternoon. Here is the hon. Minister of Justice (Mr. Guthrie) with a tremendous parliamentary experience, the legal and constitutional adviser of the administration, submitting to this parliament and to this committee legislation two or three sections of which he himself admits are of doubtful validity. Advised by his law officers to that effect, advised also by two eminent outside counsel to the same effect, yet he comes here and asks us in the free exercise of our judgment to make a mockery of that judgment and support sections which he himself tells us are of doubtful constitutional and legal validity. Mr. Chairman, I venture to suggest this, that if this same procedure had been adopted by this administration in response to our requests and our protests earlier in the session, if they had called in these two same eminent legal counsel from the outside, as we asked them to do, in regard to other legislation that has been brought down to the house, they would have received the same opinion exactly in regard to its unconstitutional features and I am certain the same proviso would have been inserted in the other bills which have passed the house during the present session. I do not want to use too strong language but in my humble opinion it is an insult to the intelligence of parliament for the legal advisers of the crown to ask this committee to pass this measure. As a result of agitation from outside or as a result of pressure within their own ranks, the government through the minister is asking us to pass a measure which the minister himself informs us is of doubtful validity.

Mr. GRAY: He said we could not enforce it.

Mr. MACKENZIE (Vancouver): The hon. member for West Lambton (Mr. Gray) says that the minister said that we could not enforce it. Why present such legislation to this parliament and make a mockery of parliament? The government is leading the public to believe that legislation is being passed which will be effective in remedying certain grievances. Every hon. member, no matter to what party he belongs, is desirous that the grievances which have been brought to light should be remedied. I believe every hon. member of this committee has a sufficient appreciation of the functions of parliament and the duty of every hon. member is to repudiate absolutely this practice of swallowing four, five and six clauses which the minister himself tells us are absolutely unconstitutional and of doubtful legal validity. What are we here for? The legal advisers of the crown tell us that these three sections are useless; I believe the minister knew that but because of an agitation within the ranks of the party the government is making a mockery of the public of Canada. The public is being deceived. I would much rather pass something which was sincere and which would give results than this mockery and insult to the intelligence of the people of Canada.

Mr. KENNEDY (Winnipeg): I should like to make a few observations in connection with this section. It provides that everyone is guilty of an indictable offence who (a) employs a person at a rate of wage less than the minimum wage rate fixed by law or any competent public authority; (b) permits an employee to work beyond the maximum hours fixed by law or any competent public authority; (c) falsifies any employment record required to be kept by law or any competent public authority; (d) punches a time clock with intent to deceive. All these clauses deal with different phases of the one matter, that is, deliberately cheating an employee in one way or another by an overt act. I shall not take the time to quote the evidence given, but it was to the effect that many employees were paid a wage less than the minimum wage fixed by law. There may be a minimum wage law in a province which says that a girl shall receive $10.50 per week. An employer may know that and by cajolery or other means he hires a girl for less, say at $7 per week. He is stealing $3.50 per week from that girl.

Again, an employer may permit an employee to work beyond the maximum hours fixed by law. This would be another evasion. He may pay an employee the minimum wage of $10.50 per week and then insist on the employee working overtime. The evidence shows that employees were sometimes asked to work until the early hours of the morning. This is another evasion of the law; he is stealing the time of the employee. A minimum wage act may require an employer to keep accurate records in connection with his employees. The evidence showed that in many cases these records were falsified. This was another means of cheating the employee and evading the law. Then the evidence disclosed that in some cases a superintendent of a factory, with the full knowledge and consent of the head of the factory, would punch the time clock for all the employees at the hour of quitting but the employees would continue to work sometimes for an hour, an hour and a half or perhaps return again at night. This was stealing their time.

It would be a criminal offence for one of these girl employees to go into a store and take a loaf of bread. It would be a criminal offence and she could be sent to gaol for taking a muffler or any other article of wearing apparel. We have the jurisdiction to pass laws to deal with such matters and to put such people in gaol, but when it comes to a question of making it a criminal offence for a man in authority to steal the time of his employees, at once the constitutional question is raised. With great passion the hon. member for Vancouver Centre (Mr. Mackenzie) tells us that this is a miserable exhibition. I want to say to him that if there has been any miserable exhibition in this house, it is that of always invoking the constitutional question.

Mr. MACKENZIE (Vancouver): Your own minister invoked it.

Mr. KENNEDY (Winnipeg): The Minister of Justice (Mr. Guthrie) did not say that they were not valid; he said they were of doubtful value. I suggest to hon. members that instead of raising the constitutional question they approach this matter from the other angle and remember that we are endeavouring to improve conditions for the workers. I ask the hon. member for Vancouver Centre to remember that the letter killeth but the spirit giveth life. We have endeavoured to carry out the spirit of the recommendations of the commission and have introduced them to the house.

Progress reported.

At six o'clock the house adjourned without question put, pursuant to standing order, until Friday, May 31.

Friday, May 31, 1935.

The house met at three o'clock.

CURRENCY ACT AMENDMENT

Mr. THOMAS REID (New Westminster) moved for leave to introduce a bill to amend the Currency Act.

He said: Three changes are contemplated by this bill. The first is to increase the silver content of the silver dollar from ·800 to ·925, as it formerly was until 1921, I believe. The second change is that silver coins be made legal tender for any amount. At present silver can be refused for payments over $10. The third change is in regard to notes, that notes also be made payable in silver. But the real object sought in the three changes is a further step towards Canada's recognition of silver either as currency or as a base for currency.

Right Hon. R. B. BENNETT (Prime Minister): I followed the hon. gentleman with some care, and if the objects sought are as indicated it is not competent for a private member to introduce that legislation. It would impose a further charge upon the revenues of the country for the acquisition of silver to the extent of ·925 as against ·800.

Mr. SPEAKER: As the Prime Minister (Mr. Bennett) raises the question of order—

Mr. MACKENZIE (Vancouver): It might be allowed to stand for second reading, and the question be considered by Your Honour.

Mr. BENNETT: No, it is first reading. The motion might stand until Your Honour has opportunity to look into the point of order.

Motion stands.

COMBINES INVESTIGATION ACT

Hon. HUGH GUTHRIE (Minister of Justice; for the Minister of Labour) moved for leave to introduce Bill No. 79, to amend the Combines Investigation Act.

Some hon. MEMBERS: Explain.

Mr. GUTHRIE: This is an amendment to the present law, and is really a transfer of the duties of the office from the minister, now the Minister of Labour, to a commission to be set up under another statute. The chief change is that where the word "minister" occurs the word "commission" is inserted.

[Mr. W. W. Kennedy.]

Hon. CHARLES STEWART (West Edmonton): Are there not some further provisions for strengthening the act?

Mr. GUTHRIE: There may be some slight amendments. There are other bills dealing with the matter, and this bill will not be proceeded with further until the other bill is brought to the house.

Motion agreed to and bill read the first time.

REGULATION OF WHALING

On the order, government notices of motion:

Right Hon. R. B. BENNETT (Prime Minister): In order that all the members of the house may have opportunity to consider this resolution I shall not move it until Monday, as the Senate will not be sitting until Tuesday. We can deal with it Monday and it can then go to the other chamber.

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Is this resolution concerning whales also directed against sharks?

Mr. BENNETT: I do not think it has any application to the hon. member for Témiscouata.

NATURALIZATION PAPERS

On the orders of the day:

Hon. C. H. CAHAN (Secretary of State): The hon. member for South Battleford (Mr. Vallance) recently passed across the floor of the house to me three letters which had been sent out by the proper officials of the Department of the Secretary of State dealing with naturalization, asking why information had been required as to whether, in each case, the applicant had become established in Canada and was permanently employed.

The granting of naturalization by the Secretary of State is a matter entirely within his discretion and therefore inquiry has to be made to ascertain whether the applicant has properly entered Canada—"landed," as the term is—and as to his character and qualifications for naturalization. There are now pending in the department, owing I think to the imminence of a general election, some eight or nine thousands new applications, and it takes considerable time to make inquiry in each case. In respect of these three applicants, whose names I will not mention, each is a citizen of Jugoslavia, and each has been properly landed in Canada. But we have received frequent protests from one end of this country to the other against granting naturalization certificates to applicants who

are not established in the country and who for the time being are on city or municipal relief. Therefore in order to ascertain the facts in each case a letter was written, and these are the letters handed to me by the hon. member for South Battleford. One of these citizens of Jugoslavia arrived in July of 1927 and, according to the reports in the possession of the department, he is now on city relief. The grant of a naturalization certificate has been held in abeyance until we receive evidence that he is permanently established in the country. The second arrived in July, 1929, and the facts before us establish that he has been on city relief since December, 1930. The third arrived in Canada in March, 1927, and the facts as represented to us are that he has been on relief since July, 1931.

Under those circumstances I think it was perfectly proper for the officials while holding these applications in abeyance, though not refusing them, to write the applicants to ascertain whether since the date of the applications, when they were on relief, they have been able to establish themselves permanently so as to maintain themselves in this country. Though I did not know of these particular letters I take full responsibility for the action of the officials of the department in writing them.

FREDERICTON, N.B., WHARF

On the orders of the day:

Hon. HUGH GUTHRIE (Minister of Justice): On May 23, during a discussion of the public works bill, the hon. member for Gloucester (Mr. Veniot) requested information as to what lawyer was retained in regard to the transfer of a wharf at Fredericton, New Brunswick, and I promised to ascertain the name and let him know. I now beg to inform him that Mr. Cnarles L. Dougherty of Fredericton acted on behalf of the government on that occasion.

BRITISH IMPORTS FROM CANADA

On the orders of the day:

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): On May 23, at page 2997 of Hansard, a question of mine with regard to British imports of Canadian products was answered. The first paragraph of the question was:

Were and are there any quotas affecting British imports of Canadian products?

The answer given mentioned only bacon and hams and oats and oat products. May I ask the government if no other Canadian products have been affected by quotas since 1930, and when I ask that question I have particular reference to wheat. My second question is this: Since Mr. McFarland has been ill has Mr. Cutten, formerly of the Chicago grain exchange had anything to do with the wheat or grain business in Canada in any way, shape or form?

Right Hon. R. B. BENNETT (Prime Minister): So far as the first question asked by the hon. member for Témiscouata (Mr. Pouliot) is concerned the answer is no; there has been no quota of any kind, shape, form or description suggested with respect to wheat imported into Great Britain.

The answer to the second question is also no. The name of Mr. Cutten, used in the sense in which my hon. friend has just used it, is entirely new to me. I know of no relationship in any shape or form that Mr. Cutten has with the business of the marketing of wheat controlled by the pool, with respect to which the government has an interest. I do not know anything about his private business. Now that the hon. member has mentioned Mr. Cutten's name I think at one time he was a member of the Winnipeg grain exchange. I do not know whether or not he is still a member of that exchange but I do recall having seen his name among the names of the members of the exchange.

INTEREST ACT AMENDMENT

On the orders of the day:

Mr. G. G. COOTE (Macleod): My bill to amend the Interest Act, which was introduced some time ago, has been before the banking committee for a considerable period. I am informed that the chairman of the banking committee is in England, and I wonder if the Minister of Finance (Mr. Rhodes) would be good enough to arrange to have the committee meet and appoint an acting chairman so that this bill and any other business to be dealt with by the committee may be proceeded with in the absence of the chairman.

Hon. E. N. RHODES (Minister of Finance): I shall make inquiry. I have been advised that the chairman is on his way back to Canada now, but in any event arrangements will be made for the sittings of the committee.

PENSIONS FOR THE BLIND

On the orders of the day:

Mr. A. A. HEAPS (North Winnipeg): I should like to ask the chairman of the committee on industrial and international relations when the committee will meet to con-

sider the resolution submitted to it some few weeks ago in relation to pensions for the blind.

Mr. F. W. TURNBULL (Regina): The meeting of the committee on industrial and international relations was announced two or three days ago in the votes and proceedings. It has been called for Tuesday, June 4.

OFFICIAL RECEIVERS

On the orders of the day:

Mr. A. L. BEAUBIEN (Provencher): I should like to direct a question to the Minister of Finance (Mr. Rhodes). Has the department issued instructions to the official receivers under the Farmers' Creditors Arrangement Act to go about the country holding meetings and speaking to the farmers in regard to the debt adjustment act?

Hon. E. N. RHODES (Minister of Finance): I am aware of no such specific instructions, but I will make inquiry and advise my hon. friend at the next sitting.

WAYS AND MEANS

CUSTOMS TARIFF AMENDMENT

The house in committee of ways and means, Mr. Morand in the chair.

Hon. E. N. RHODES (Minister of Finance): Mr. Chairman, if it is agreeable I should like to proceed with the tariff items contained in the tariff schedule as it appears in votes and proceedings of March 22. We will begin with item No. 28.

Customs tariff—28. Coffee, green, imported direct from the country of growth and production, or purchased in bond in the United Kingdom, per pound: British preferential tariff, free; intermediate tariff, 3 cents; general tariff, 3 cents.

Provided, that coffee, green, shall be entitled to entry under the British preferential tariff upon evidence satisfactory to the minister that such coffee has been produced wholly in the British dominions, colonies or possessions, and not otherwise.

Mr. YOUNG: What is the change?

Mr. RHODES: The only change is to make the provision with respect to empire content in coffee the same as it has been for years with respect to tea.

Item agreed to.

Customs tariff—28a, agreed to.

Customs tariff—39, agreed to.

Mr. RHODES: I have an amendment to move with respect to which references have been made from time to time, and which comes as a result of findings of the tariff board. My colleague will move the following:

[Mr. Heaps.]

I beg to move that schedule A to the customs tariff, as amended by resolution No. 5 of March 22, 1935, be further amended by inserting therein the following item, enumeration and rates of duty:

39d—Rosin sizing: British preferential tariff, 5 per cent; intermediate tariff, 7½ per cent; general tariff, 10 per cent.

This is to preserve the status quo with respect to this commodity, in the event of action being taken.

Mr. SUTHERLAND: I move accordingly.

Item agreed to.

Customs tariff—65a, agreed to.

Mr. RHODES: Before proceeding with item 99c I wish to move an additional item 66a, as a result of a finding of the tariff board, reference No. 13, with respect to biscuits. I shall file the report when the committee rises. Meantime it is available to any hon. member. My amendment is:

I beg to move that schedule A to the customs tariff, as amended by resolution No. 5 of March 22, 1935, be further amended by inserting therein the following item, enumeration and rates of duty:

66a—Biscuits, sweetened or unsweetened, valued at not less than 20 cents per pound wholesale f.o.b. any port in the United Kingdom, said value to be based on the net weight and to include the value of the usual retail package: British preferential tariff, free; intermediate tariff, 30 per cent; general tariff, 30 per cent.

The only change is that the British preferential rate which hitherto stood at 20 per cent is now made free.

Mr. SUTHERLAND: I move accordingly.

Item agreed to.

Customs tariff—99c, agreed to.

Customs tariff—101b. Oranges, the produce of Palestine (when imported direct from the country of growth and production or from a country entitled to the benefits of the British preferential tariff) during the months of January, February, March and April: general tariff, free.

Mr. LUCAS: Would the minister please explain why this in included. It is free under all categories?

Mr. RHODES: The change is for this reason. Hitherto oranges from Palestine had to come direct. This amendment will permit them to come via all British ports. As a matter of fact they are trans-shipped to London, and this will permit them to maintain their position, although they come via London rather than by direct shipment.

Item agreed to.

Customs tariff—156. Ethyl alcohol, or the substance commonly known as alcohol, hydrated oxide of ethyl or spirits of wine, n.o.p.; gin

of all kinds, n.o.p.; whisky and all spirituous or alcoholic liquors, n.o.p.; amyl alcohol or fusel oil, or any substance known as potato spirits or potato oil; methyl alcohol, wood alcohol, wood naphtha, pyroxylic spirit or any substance known as wood spirit or methylated spirits, absinthe, arrack or palm spirit, brandy, including artificial brandy and imitations of brandy, n.o.p.; cordials liqueurs of all kinds, n.o.p.; mescal, pulque, rum shrub, schiedam and other schnapps; tafia, angostura and similar alcoholic bitters or beverages; and wines, n.o.p., containing more than forty per cent of wood spirit, per gallon of the strength of proof: British preferential tariff, $5; intermediate tariff, $10; general tariff, $10.

Provided, as to all goods specified in item No. 156 when of less strength than the strength of proof, that no reduction or allowance shall be made in the measurement thereof for duty purposes, below the strength of 15 per cent under proof.

Mr. RHODES: The only change is that made in connection with rates.

Mr. RALSTON: I understand this is simply complementary to the change in the excise rate. The change in the British preference on spirituous liquors is complementary to the change in the excise rate.

Mr. RHODES: Yes. I might say that there has been some criticism of the circumstance that the duty upon spirits has been lowered. Those duties have been lowered solely with a view to protecting the revenue. In 1930 my recollection is that the total revenue obtained from spirits was upwards of $40,000,000, and that last year it shrunk to about $12,000,000. There is no question that the excessive price which has been charged for spirits has been responsible for a great amount of illicit selling of alcohol, and it was the hope and desire of the government in reducing the excise tax and customs duty on spirits to eliminate that difficulty. To the extent that that desire is met, we anticipate an increase rather than a decrease in revenue. I may say that in this connection I had hoped to hold a conference with the different provinces but was unable to do so on account of my illness. It was my desire that the provinces should make a contribution over and beyond the actual reduction which has been made in the price of liquor due to the lowering of the tariff and the excise. Speaking from memory and using round figures which I think are accurate, I believe that whereas the dominion treasury receives in revenue something like $4.25, the provinces are charging a price which yields them something like $9 per gallon. I believe that if they made a larger contribution through reducing their price there would be an increased sale and to that extent there would be a further preventing of the illicit sale of liquor.

Item agreed to.

Customs tariff—156a agreed to.

Customs tariff—159 agreed to.

Customs tariff—164. (a) Wines of the fresh grape of all kinds, except sparkling wines, imported in barrels or in bottles, containing less than 35 per cent proof spirit, when the produce of Australia, New Zealand or the Union of South Africa, per gallon: British preferential tariff, 25 cents.

(b) Wines of all kinds, except sparkling wines, imported in barrels or in bottles, containing 35 per cent, or over, but not more than 40 per cent proof spirit, when the produce of Australia, New Zealand or the Union of South Africa, per gallon: British preferential tariff, 55 cents.

Provided that six quart bottles or twelve pint bottles be held to contain a gallon for duty purposes under this item.

Mr. RHODES: I beg to move that the rates of duty, under the British preferential tariff, set opposite sub-items (a) and (b) of tariff item 164, as contained in resolution No. 5 of March 22, 1935, be amended to read as follows:

Item 164. (a) British preferential tariff, 20 cents; (b) British preferential tariff, 40 cents.

The previous rates were 25 cents and 55 cents. These rates were reduced as a result of the South African treaty by order in council and this motion is intended to have them corrected in the tariff schedule.

Mr. RALSTON: Was that order in council passed since the budget speech?

Mr. RHODES: Since the preparation of the budget yes.

Mr. RALSTON: I understand that Australia and New Zealand are included specifically and such was not the case before?

Mr. RHODES: Yes.

Amendment agreed to.

Item as amended agreed to.

Customs tariff—169. Books, viz.: Novels, or works of fiction, or literature of a similar character, unbound or paper bound or in sheets, but not to include Christmas annuals, or publications commonly known as juvenile and toy books: British preferential tariff, free; intermediate tariff, 22½ per cent; general tariff, 25 per cent.

Mr. RALSTON: I understand the incidence of this item will be to permit the freer import of books from France. As I understand it there are more books published unbound in that country than in Great Britain but on looking at the schedule this would not seem

to work out. As I see it, all that has happened is a reduction of the British preferential tariff.

Mr. RHODES: Under the French treaty France has the British preferential rate.

Item agreed to.

Customs tariff—178c agreed to.

Customs tariff—180c agreed to.

Customs tariff—187a agreed to.

Customs tariff—198b agreed to.

Customs tariff—199d. Cigarette papers, gummed or not, in tubes, booklets or packets: British preferential tariff, 17½ per cent; intermediate tariff, 32½ per cent; general tariff, 35 per cent.

Mr. RALSTON: I understand that items 197c, 198b and 199d are all French treaty items?

Mr. RHODES: Quite right.

Item agreed to.

Customs tariff—199e agreed to.

Customs tariff—208a agreed to.

Customs tariff—232e agreed to.

Customs tariff—242 agreed to.

Customs tariff—247a. Artists' and school children's colours, n.o.p., in tubes, cakes, pans and pastels, for painting in oils, water colours or pastels, under regulations prescribed by the minister: British preferential tariff, free; intermediate tariff, 27½ per cent; general tariff, 30 per cent.

Mr. RHODES: I beg to move that item 247a, as contained in resolution number 5 of March 22, 1935, be amended to read as follows:

247a. Artists' and school children's colours, n.o.p., in tubes, cakes, pans, and vials, and fitted boxes containing the same; artists' brushes; pastels, of a value of one cent per stick, or over; all the foregoing for painting in oils, water colours or pastels; artists' canvas, coated and prepared for oil painting: British preferential tariff, free; intermediate tariff, 27½ per cent; general tariff, 30 per cent.

Mr. RALSTON: That is to include brushes which were not in the previous item?

Mr. RHODES: We have included brushes and artists' canvas.

Amendment agreed to.

Item as amended agreed to.

Customs tariff—255 agreed to.

Customs tariff—281a. Fire brick, n.o.p., for use exclusively in the construction or repair of a furnace, kiln, or other equipment of a manufacturing establishment: British preferential tariff, free; intermediate tariff, 12½ per cent; general tariff, 15 per cent.

Mr. RHODES: I beg to move that item 281a be amended to read as follows:

281a. Fire brick, n.o.p. of a class or kind not made in Canada, for use exclusively in the construction or repair of a furnace, kiln or other equipment of a manufacturing establishment: British preferential tariff, free; intermediate tariff, 12½ per cent; general tariff, 15 per cent.

I am pleased to say that the British have concurred in the wording of this item.

Mr. RALSTON: I am afraid that that will take away some of the enthusiasm with which some of us greeted the number of reduced items in the budget of my hon. friend. My hon. friend knows that the moment you put in the phrase, "of a class or kind not made in Canada" you are asking for a repetition of the tin plate controversy. The question will arise as to whether the making of 1,000 bricks in Canada will be sufficient to bring a certain brick within this phrase and deprive it of the benefit of the reduction. Are fire bricks made in Canada in very large quantities and will the change in this item result in a large importation of Scotch fire brick?

Mr. RHODES: The situation which arose in connection with tin plate will not arise in this instance as there is already a fire brick industry in Canada. The object of the amendment is to admit a particular type of Scotch fire brick used in the lining of metallurgical furnaces. This brick is not produced in Canada and probably will not be produced in this country. The object as disclosed in the tariff will have been accomplished, but by adopting this amendment we protect the existing business with respect to a class of brick which is made in Canada and has been for many years, brick of an ordinary type, not of the type we had particularly in mind when the original tariff item was brought down. I think the best evidence of the fact that it will not work an injustice is found in the circumstance that the British government have concurred in the amended wording.

Mr. RALSTON: I did not listen to the amendment as closely as I should have. May I ask does the amended item still only apply to brick for use exclusively in manufacturing establishments?

Mr. RHODES: Yes. It was not changed in any respect other than to include the words, "of a class or kind not made in Canada."

Mr. MACKENZIE (Vancouver): Has this reference to the complaint I brought to the minister's attention in regard to Clayburn brick?

Mr. RHODES: It meets the situation with which my hon. friend is familiar, that of the Clayburn brick.

Mr. MACKENZIE (Vancouver): I want to thank the minister.

Mr. STEWART (Edmonton): This is an important item particularly for the mining industry. I was rather pleased to note that brick was coming in free from England, but I am bound to say that I think this amendment will put a stop to the importation of that brick. The minister says there is one industry in Canada but that it is not manufacturing brick used for lining purposes. He will find the very same objection will be raised despite the fact that the British exporter has raised no objection, as the minister says. Personally I never could understand why the freight rate from Great Britain to Canada and across Canada to the place of use was not sufficient protection for an industry.

Mr. RHODES: My hon. friend will bear in mind that prior to the amended item the brick he has in mind was subjected to a duty of ten per cent under the British preference, and they are now made free. I think the fears of my hon. friend are not well founded. I have some little knowledge of the metallurgical industry, and the type of fire brick used in the lining of furnaces for melting such commodities as copper, nickel and other metals has to stand a very intense degree of heat and it requires a class of brick which is not made in Canada. That brick will now come in duty free. It is essentially a product peculiar to Scotland, but the amendment including the words "of a class or kind not made in Canada" will protect brick which is manufactured in Canada for use in certain industries where the qualities of the brick required are not of the type to which I have referred. It will be a distinct concession to the metallurgical industry which uses this type of Scotch brick, and on the other hand it will permit those Canadian industries which produce in Canada brick which is suitable for purposes other than those for which the Scotch type of brick is used to continue to hold their market.

Mr. RALSTON: If it had not been for the tinplate case I would not have thought very much of this phrase "of a class or kind not made in Canada," but this phrase as a result of and arising out of that tinplate case was so construed as to make it a delusion and a snare to those who are looking for reductions in tariffs. When you find a clause like this invoked to impose the higher rate because say five per cent of the total consumption in Canada happens to be manufactured in Canada, making it permissible by reason of this clause to impose a duty on the other ninety or ninety-five per cent, then it seems to me that we have a right to be concerned about the insertion of a clause like that in a tariff item. I accept my hon. friend's assurance to the full in this particular case. There is an industry I understand in Canada which does make a substantial amount of fire brick. But that phrase, "of a class or kind not made in Canada" does not give nearly the assurance it used to before the tinplate case came up. I think possibly the department—it is not my hon. friend's department but the Department of National Revenue—may have learned a lesson and may have realized from that case that they cannot make rulings of that kind unless a large percentage of the product is manufactured in Canada, but I would want to be assured of that before I gave very enthusiastic support to the insertion of a rider of this kind.

Mr. RHODES: Mr. Chairman, I am advised by the technical officers of the department that this brick is of a type which is very easily identified. For example, they have a silicon brick, a black magnesite brick, a carbide brick, and so forth, all of which types are well defined and well known and easily identified and cannot possibly be confused with clay brick. Furthermore I am informed that by far the larger part of the brick used in the metallurgical industry is of this type, which will now come in duty free, and that the clay brick which we are protecting represents I believe something like ten per cent of the total quantity of brick used in the metallurgical industry of Canada. For these reasons I say with all deference that I feel quite sure the fears of my hon. friend from Shelburne-Yarmouth (Mr. Ralston) and of my hon. friend from West Edmonton (Mr. Stewart) will be found to be not well founded.

Mr. STEWART (Edmonton): I do not like that phrase, "of a class or kind not made in Canada."

Mr. REID: The minister must admit that bricks are coming in under the name of fire brick, and that the Clayburn brick is identical in appearance, shape and name with the Scotch brick from Glenboig.

Item agreed to.

Customs tariff—326, agreed to.

Customs tariff—326b, agreed to

Customs tariff—380. Toilet Articles. (d) With chequer, diamond or other raised pattern on contact surface: British preferential tariff, free; intermediate tariff, $8; general tariff, $8.

Mr. RALSTON: Is this also an item to which the phrase "of a class or kind not made in Canada applies"?

Mr. RHODES: No, Mr. Chairman.

Mr. RALSTON: This particular commodity is not made in Canada?

Mr. RHODES: I am advised that it is not made in Canada. My hon. friend will observe that we do not make any provision of that kind here.

Item agreed to.

Customs tariff—384, agreed to.

Customs tariff—386 (k), agreed to.

Customs tariff—386 (r). Strip, cold rolled, when imported by manufacturers of pipes and tubes, for use exclusively in the manufacture of pipes and tubes, in their own factories, under regulations prescribed by the minister: British preferential tariff, free; intermediate tariff, 5 per cent; general tariff, 5 per cent.

Mr. RHODES: I have an amendment, Mr. Chairman, to move to this item. I beg to move that item 386 (r), as contained in resolution No. 5 of March 22, 1935, be amended to read as follows:

Sheets or strip, cold rolled, when imported by manufacturers of pipes and tubes, for use exclusively in the manufacture of pipes and tubes in their own factories, under the regulations prescribed by the minister: British preferential tariff, free; intermediate tariff, 5 per cent; general tariff, 5 per cent.

Mr. GUTHRIE: I move accordingly, Mr. Chairman.

Mr. RALSTON: And you leave out skelp?

Mr. RHODES: Yes. There is no such thing as cold rolled skelp, I am advised by the tariff board.

Amendment agreed to.

Item as amended agreed to.

Customs tariff—388, agreed to.

Customs tariff—388 (b). Iron or steel angles, beams, channels, columns, girders, joists, tees, zees and other shapes or sections, not punched, drilled or further manufactured than hot rolled, n.o.p.; piling of iron or steel, not punched or drilled, including interlocking sections, if any, used therewith, n.o.p., per ton: British preferential tariff, $4; intermediate tariff, $7; general tariff, $7.

Mr. RALSTON: Piling of iron or steel, not punched or drilled, previous to this item was dutiable when coming from Great Britain?

[Mr. Reid.]

Mr. RHODES: Yes. The rates were 25 per cent, 35 per cent and 40 per cent.

Mr. RALSTON: And now 25 per cent comes off.

Mr. RALSTON: And in the item before, twenty-five per cent comes off?

Mr. RHODES: Yes.

Item agreed to.

Customs tariff—390c, agreed to.

Customs tariff—401, agreed to.

Customs tariff—402c. Wire of iron or steel, coated with zinc or spelter, curved or not, in coils, not more than ·144 inch and not less than ·080 inch in diameter, with tolerance not to exceed ·004 inch, when imported by manufacturers of barbed fencing wire or of wire fencing for use exclusively in the manufacture of barbed fencing wire or of wire fencing, in their own factories: British preferential tariff, free; intermediate tariff, 10 per cent; general tariff, 10 per cent.

Mr. STEWART (Edmonton): The duty on wire fencing remains the same. This is for the use of manufacturers, and the completed article still carries the 10 per cent?

Mr. RHODES: There was an anomaly in the tariff prior to this, inasmuch as the fence came from England duty free and yet there was 10 per cent duty on the wire going into the manufacture of the fence. Now the fence is free and the wire will be free.

Mr. STEWART (Edmonton): I am not quite clear about that. Under the conference item there was a duty of 10 per cent on manufactured barbed wire?

Mr. RHODES: This is not barbed wire but plain wire.

Item agreed to.

Customs tariff—407, agreed to.

Customs tariff—407a, agreed to.

Customs tariff—410o, agreed to.

Customs tariff—413a. Machinery, of a class or kind not manufactured in Canada, and complete parts thereof, for use in the manufacture of nets or netting for the fisheries, when imported by manufacturers for use exclusively in the making of such nets or netting, in their own factories, but not for use in making nets or netting commonly used for sportsmen's purposes: British preferential tariff, free; intermediate tariff, 5 per cent; general tariff, 10 per cent.

Mr. NEILL: What change is there?

Mr. RHODES: The only change in this item is in the wording and consists in the insertion of "complete parts thereof."

Item agreed to.

Customs tariff—424. Fire engines and other fire extinguishing machines and complete parts thereof: British preferential tariff, 10 per cent; intermediate tariff, 30 per cent; general tariff, 35 per cent.

Mr. RHODES: I have an amendment to move:

Fire engines and other fire extinguishing machines and chassis for same, complete parts of the foregoing, n.o.p.

It is largely a question of wording.

Mr. RALSTON: Is there any other item that covers fire engines at all?

Mr. RHODES: No.

Mr. RALSTON: To what does the n.o.p. in the amendment refer? Where might it be otherwise provided?

Mr. RHODES: I am advised by the commissioner of tariffs that the words n.o.p. have been inserted for the purpose of ensuring that we do not inadvertently raise the rate upon parts that may already come in under other items of the tariff.

Mr. RALSTON: The n.o.p. would apply to the whole item?

Mr. RHODES: Yes.

Mr. COOTE: What is meant by complete parts?

Mr. RHODES: I am advised by the technical officers that the term, which has been in use for many years, means that the part itself shall be a complete entity and adaptable as a part to the machine for which it is intended to be used and shall not be a part which might be utilized in the construction of some other machine or attached to some other piece of machinery for some other purpose.

Mr. COOTE: There might be two parts to a certain gear on a machine. I do not see how anyone outside the department could tell whether the department would regard the piece being imported as a complete or an incomplete part.

Mr. RHODES: I would not dare attempt to enter into a detailed definition of what constitutes a complete part, but it is a question of administration and the construction which the department shall place upon the words "complete parts." It has been administered for fifty years and involves hundreds of items, but the explanation I originally gave is the one passed on to me by the officials. It is the only explanation I can give. It is merely designed to ensure that the part shall be for the purpose intended, namely, to be used in connection with the particular type of machine and not to come in, under the guise of a part for that particular machine, to be used for other purposes.

Mr. COOTE: Would a bearing for a wheel on a fire fighting machine be a complete part or not? Occasionally we have complaints from people throughout the country in regard to what they consider are arbitrary rulings of the customs department and they cannot fit them in with the Customs Act as they read it. I thought we might get an explanation from the minister as to precisely what is meant.

Mr. RHODES: I am afraid I cannot give any additional information.

Mr. YOUNG: I understand that the interpretation heretofore given to "complete part" was a part ready to be put on and needing no further processing. The department, however, has lately put on a new interpretation, thereby shutting out parts that should continue to come in under the lower rates.

Mr. RHODES: My attention has not been directed to any change in the method of administration by the department. They administer as many as a hundred items a day, dealing with parts, but so far as I am aware there has been no change in the method of administration.

Mr. YOUNG: The member for Lisgar is not in his place, but he has in his possession at the present time a complaint that a wheel is denied entrance to the country because a certain gear which ordinarily would be attached is not on it. It would appear to me that the wheel is a complete part.

Mr. RHODES: That may be true, but it does not follow that it is a new method of interpretation. I have no doubt that the decision in the individual case is in conformity with the practice of the department running over a period of years. But if my hon. friend has any instance in mind, and if he will be good enough to let me have particulars, I will see that inquiry is made to confirm my belief that the method of administration has not been changed.

Mr. GERSHAW: Can the minister give any further definition of the word machinery; does it just apply to moving parts, or would it include such things as filters and evaporators and diffusers and apparatus of that kind which might be used in a factory?

Mr. RHODES: My information is that the customs now and always have interpreted the word machinery to mean something having moving parts, not something fixed.

Item agreed to.

Customs tariff—424a, agreed to.

Customs tariff—427d, agreed to.

Customs tariff—428e, agreed to.

Customs tariff—428f, agreed to.

Customs tariff—434, agreed to.

Customs tariff—434a, agreed to.

Customs tariff—434b, agreed to.

Customs tariff—435, agreed to.

Customs tariff—438f, agreed to.

Customs tariff—440l. Aircraft and complete parts thereof, not including engines, under regulations prescribed by the minister: British preferential tariff, free; intermediate tariff, 25 per cent; general tariff, 27½ per cent.

Mr. COOTE: Are there any aircraft manufacturers in Canada?

Mr. RHODES: I believe there have been a few but in the main it is an assembling proposition as far as Canada is concerned.

Mr. COOTE: I would like to make a plea to the minister to take the duty off aircraft under all tariffs.

Mr. RHODES: That is what we are doing here.

Mr. COOTE: Only on machines imported from England.

Mr. RALSTON: And under regulation.

Mr. COOTE: I have been told by men who I think are practical Canadian airmen, who served in the air force, that machines of the type best adapted for air service in Canada are now made largely in the United States, not in England. I think that the air service of Canada is being handicapped by the present tariff regulations. I cannot see that we have any worthwhile aircraft industry in Canada that we are assisting. We have only a few assembling plants, that are locked up most of the time; when they get an order I am told they open up and the workmen are put to work for a few days or weeks assembling parts, but those who want to use these machines in Canada are paying greatly enhanced prices because of that. I do not think there are many machines imported from England, unless by the Department of National Defence. I do not know whether they pay the duty or not, perhaps the minister would be good enough to tell us. It might be wise to refer to the tariff board the question whether aircraft and parts should not be put on the free list all across the board. It does not seem wise to penalize the air service in Canada, particularly at this time, by the comparatively heavy duty that exists against machines imported from the United States. It is machines of the type made in the United States that are best adapted for most of the work for which airplanes are required in Canada. I hope the minister will consider referring this matter to the tariff board, to ascertain whether or not it would be wise to remove the tariff altogether.

[Mr. Rhodes.]

Mr. RHODES: In the first place may I observe that there have been no increases or decreases in the general tariff in this budget, for reasons which I indicated at the time, and which will be apparent to all hon. members. It will be observed also that we are now making aircraft from Great Britain free, which hitherto have been subject to duty. To that extent we are giving a preference to Great Britain. I do not profess myself as competent to express an opinion as to the relative merits of British aircraft as contrasted with those coming from other countries, but I should be greatly surprised if Great Britain with her experience in engineering as well as in the use of aircraft is not in a position to compete with any country in the world. If she is not able to do so at the moment I have no doubt she will soon place herself in a position to do so. It may be that there are certain types of aircraft peculiarly adapted to the conditions on the North American continent which would call for certain qualities which perhaps might not be so essential for aircraft used on the continent of Europe. That may be so, but if it is I have no doubt in the world that with the opportunity of free entry to the Canadian market Great Britain will adapt herself in the matter of aircraft to the requirements of that market. There are two types of machines, the De Havilland and Bristol, of British manufacture, which I am told by airmen are eminently satisfactory machines, the equal of any in their class in the world.

My hon. friend asked whether aircraft used for government service are subject to duty. They are, the government pay duty the same as anyone else.

I do not think I can usefully add anything more. Perhaps later the question of the free entry of aircraft under both the intermediate and general tariff might be a proper subject of discussion. But in the meantime I submit that we have gone a very long distance in making them free from the mother country, giving Great Britain an opportunity to share to a greater degree in this market.

Mr. STEWART (Edmonton): May I ask why the engines are excluded?

Mr. RHODES: They are in a separate item.

Mr. STEWART (Edmonton): Are they free also?

Mr. RHODES: Yes.

Mr. COOTE: I would like to say this further word. I do not doubt that manufacturers in England can make just as good a machine as is made anywhere in the world. I am only passing on to the minister representations made to me by two men, one who served for years in the Canadian air force, and is now in private service, and the other in private service. They said that the type of machine which is most in use in Canada is more readily available in the United States than in England. That is, there is a certain type of passenger and freight business in Canada similar to the business in the United States, and the machines suitable for that are somewhat different from those usually made in England, on account of economic and business conditions, the length of the trips they have to make and the character of the freight that they usually carry. The other point is in regard to the difficulty of securing repairs for an English machine. For an American machine, repair parts are always available somewhere on the continent at least, not farther away than New York or Chicago. With an English machine, if a certain repair part which is not often called for is required a plane might be held up for a couple of weeks before that repair part could be obtained. Evidently we cannot expect to build up an airplane industry in Canada. If that is the case, now when the air service is having a very hard time carrying on—and this service is something we should encourage in Canada—I certainly think it would be wise at least to have the tariff board make a very careful inquiry into the situation so that we might have the benefit of all the technical knowledge that would be available to that board, which of course is not available to us.

Mr. RHODES: My hon. friend has placed his finger upon a difficulty which is not confined to the aircraft industry but is experienced by people in Great Britain who desire to compete in the Canadian market. I think one of the reasons, perhaps the predominant reason why Canadian consumers show a preference for United States products, is the circumstance that they can secure repair parts and quick delivery, and that has been the handicap which hitherto has prevented Great Britain from utilizing as large a share of this market as the tariff conditions would warrant. But I am happy to say that there is a changed attitude on the part of the people in Great Britain; they realize that if they are to occupy this market to which free entry is offered by the tariff they must provide for service. I think my hon. friend will find that the British aircraft manufacturers are making preparations, and that the preparations are well under way, to provide for service in Canada and to eliminate to a very large degree the difficulty of which my hon. friend has spoken.

I will not enter into the larger question of the adverse balance of trade as between the United States and Canada or the adverse balance the other way as between ourselves and the mother country, but that is a point of which we must not lose sight in dealing with the question of the tariff.

Mr. COOTE: I wonder if the minister has the figures showing the number of aeroplanes imported during the last two or three years and the countries from which they came, together with the value. I should like those figures if they are available; if not I can get them later on.

Mr. RHODES: I have not the figures for a number of years; I have them for the last fiscal year. Our total imports amounted to $161,000, of which $135,897 came from the United States, $22,793 from the United Kingdom and $2,936 from Germany.

Mr. COOTE: Has the minister the number of machines as well as the value?

Mr. RHODES: No, I regret to say that the machines are not segregated, but that is the total value of the aircraft and parts imported.

Mr. HOWDEN: I should like to ask the minister as to the position of the department with regard to the importation of second hand aircraft, and a case in point will illustrate what I mean. A friend of mine who carries on a trapping business has difficulty in getting in his supplies and getting out his furs, and he hires aircraft to bring in the one and take out the other. I understood from him that he could buy what I might call a first class second hand machine for about $600 or $700 while the cost of a new machine would be something like $4,000 or $4,500. That is why I rise to ask this question as to the position of the department in that regard. It may be that second hand aircraft are not permitted to enter the country at all, but I should like to know definitely.

Mr. RHODES: I need not direct the attention of my hon. friend from St. Boni-

face and of the committee to the difficulty we in Canada would experience in this regard, that we would become a dumping ground for crippled and broken down second hand aircraft to a tremendous extent if we allowed them to come into Canada at all. Not only would we be subjecting the lives of our airmen and mechanics to the dangers incident to rattletrap second hand machines; we would also be exposing to danger the lives and property of the inhabitants of the country. No one can tell me that a second hand machine is as good as a new machine. In certain instances a reconditioned machine may be in very good shape but who is to draw the line as to how far one might go in saying that a machine is reconditioned to the point where it is safe to use? I can only speak from my own experience as a motorist. I can say that the rattletrap second, third, fourth and fifth hand motor cars that one meets on the highways these days are a menace to life and limb.

Mr. YOUNG: But they are Canadian made.

Mr. RHODES: I do not care where they are made; we are discussing the question of second hand machines, that is all. That is the main reason why we prohibit the entry of second hand machines into Canada. We do not want to become a dumping ground for broken down machines from other countries.

Mr. HOWDEN: I quite appreciate what the minister has said, but here is a particular case in point. This man is employing these machines, which are owned by some United States firm, to bring in his supplies and take out his furs. Evidently it is one of these very machines, which apparently is giving very good satisfaction, that he could procure. Apparently, however, it is quite impossible to bring one of these machines into the country. The man would be quite satisfied to purchase this machine if he had the opportunity to do so, and since it would be his own neck that he would be breaking I suppose it would be largely his own business.

Mr. RHODES: That is not the trend of the times to-day as far as governmental activity is concerned; the idea is to protect the citizen against himself. I may say, however, that there is nothing to prevent anyone from importing a machine from Great Britain duty free, though we do draw the line at the importation of second hand machines from any quarter.

Mr. MARCIL: Does that apply to second hand motor cars also?

Mr. RHODES: Yes, it does.

[Mr. Rhodes.]

Mr. MARCIL: From both England and the United States?

Mr. RHODES: Yes.

Mr. YOUNG: If it is the duty of the government to protect us from breaking our necks in second hand United States machines would it not be equally the duty of the government to protect us from breaking our necks in second hand Canadian and British machines? I cannot see the distinction.

Mr. RHODES: I am not saying there should be a distinction. A man purchases a new machine to-day; to-morrow it is second hand. But he has purchased a new machine; he does not import a machine that has been used by somebody else, that is second hand when he purchases it in the first instance. I would not want to enter into the realm of logic, even if I were capable of doing so, with my hon. friend from Weyburn, because I am sure I would be lost in a maze in a very short time. I may point out to him, however, that we do prohibit the importation of second hand machines whether they come from Great Britain or any other country.

Mr. MARCIL: The automobile is under provincial jurisdiction; it must carry a provincial licence and must be inspected by provincial officers and so on.

Mr. RHODES: Yes, but they cannot get into Canada without federal authority.

Mr. MARCIL: Once they are on the highway, however, they are under provincial control.

Mr. RALSTON: My hon. friend the minister has made a very serious reflection on a number of members of parliament this afternoon in connection with these second hand motor cars. I am driving a seven year old car myself; I imagine there are some other members sitting around my hon. friend who are doing the same thing, and we do not think we are endangering the lives of citizens. However, we will forgive the minister for that statement. I rose to ask the minister to what the regulations will apply which are referred to in this item. My hon. friend will note that the provisions of this item apply under regulations to be made by the minister.

Mr. RHODES: May I say to my hon. friend that I am in precisely his class in regard to motor cars; this will be the seventh year for my car also, but it is still in a fair state of preservation. I had reference to cars much more dilapidated than one I happen to drive now, and I am sure much more dilapi-

dated than the one driven by the hon. member for Shelburne-Yarmouth. These regulations have reference to the circumstance that the importation of air craft is in itself a peculiar procedure. They do not come in by rail or by boat, but in many cases fly in. Those craft must come in under certain regulations as to where they shall land, to what inspection they shall be subjected, to whom they shall report, customs inspection and so on. That is the point to which the regulations will have reference.

Mr. RALSTON: It has not to do with the rate?

Mr. RHODES: No, nothing at all.

Mr. RALSTON: Or does not permit the exclusion of certain aircraft?

Mr. RHODES: No.

Mr. POULIOT: What was the revenue derived from this ten per cent from the time it was imposed until to-day?

Mr. RHODES: I have not the information before me, but I could get it from the Department of National Revenue.

Mr. POULIOT: I suppose if the duty is removed there will be no more money available for petty dredging around minister's property?

Mr. COOTE: Could the minister tell us the number and value of aeroplanes made in Canada during 1934. He gave us statistics about importations.

Mr. RHODES: The last information in that connection is for 1932. It shows that aeroplanes and hydroplanes manufactured in Canada were valued at $128,000 and parts and supplies at $138,000. That is the last information I have, but I assume there must be information later than that which I have not before me.

Mr. COOTE: I have only a final word to say regarding the duty on aeroplanes. In Canada we have a great deal of territory in which there are no railways or motor roads; I refer to that part of Canada sometimes known as the great north. The planes being used to open that country must carry large quantities of supplies. In many instances they are really freight vehicles. I wish to repeat what has been said to the minister—and I do not claim to know anything more than what I have been told—that aeroplanes which can be bought in the United States are much better adapted to the kind of work I have mentioned than any planes available in England. I was quite interested in the statements made concerning automobiles. The tariff on aeroplanes in my view corresponds closely to that on automobiles. I understand that automobiles may enter free from England, but that fact does not seem to hinder the price of automobiles from being unduly high in Canada. Surely those prices must be much too high when we find ministers and ex-ministers driving cars seven years old. Many of the rest of us are driving old cars, too,—but that only serves to indicate the situation.

If we do not do something about the matter of reducing tariffs on aeroplanes we will be building up in Canada an aeroplane industry, something which I suggest we cannot afford. I am sure we cannot afford a motor industry, and I have heard that men in high places have recently made the same statement. We have built up an industry, and now we do not know what to do about it. It is too expensive to keep up, and we cannot close it up without a lot of trouble. So far as automobiles are concerned the result is quite apparent. When I was home recently a man in my constituency told me he paid $1,430 for a six cylinder Studebaker Dictator, with a built in trunk. When he was in Kalispell, Montana, immediately south of us, he saw a similar car priced at $974, indicating a difference of $456 or 47 per cent. I give the minister the facts as they are handed to me.

I suggest that eventually we will build up in Canada the same situation in regard to aeroplanes as now obtains in connection with automobiles. Now is the time to deal with the question, before too many assembling plants have been set up. If one wishes to buy a Belanca plane, one very popular in the United States, one must buy it through the Belanca corporation in Montreal. I know of one man who wrote this corporation in the United States asking for prices on their machines at factories in that country, but he did not receive even a reply to his letter. He wrote the same company in Montreal and received a very prompt reply giving the prices.

An hon. MEMBER: How much.

Mr. COOTE: I have not the letter before me; it is upstairs. I did not expect to have an opportunity to discuss the matter. I am deeply interested in air service for Canada. Flying in this country has a great future and I suggest all these artificial handicaps should be removed. Undoubtedly the opening up of the north country depends upon aeroplane service. That is the only sensible way of opening up the country, and I suggest we should make the aeroplane available as cheaply as possible to those people who wish to go in to develop the country. I believe we would be paying a tremendous price for

the small amount of good we would do English manufacturers by leaving the tariff as it is now. To use an old expression we would be paying through the nose. From a national standpoint I would suggest it would not pay us to maintain this tariff, something which eventually would build up a sort of baby aeroplane industry in Canada, an industry which would have to be babied for years to come. I should like to see the matter tackled now before developments have gone too far. Certainly I have no desire to delay passage of these items, but I have brought the matter to the minister's attention simply to impress upon him its importance. I do not believe it would do any harm to have the tariff board examine into the whole matter.

Mr. RALSTON: I have only one or two observations to make. In connection with the building up of a Canadian aeroplane industry I believe I may say to the hon. member that so far the history of that industry in Canada has been one of grief and disaster. Any duty which has been imposed has not been sufficient to build up what the hon. member has described as a Canadian aircraft industry. I agree with him that if we could possibly get along with importations it would be far better for us to avail ourselves of aircraft manufactured in Great Britain and the United States rather than with our limited population and comparatively small demand to attempt the development of an industry of our own. There is only one reservation regarding strategy and defence. It is possible that for those reasons an industry of the kind might be encouraged to operate, but when I had the honour to have some responsibility I was not convinced of that, although I did my very best to give work to the industries in Canada which in a limited way were manufacturing aircraft.

I believe the hon. member is quite sound so far as his observations concerning commercial aircraft are concerned, unless it be that we should have a nucleus of an industry for purposes of strategy or defence. So far as the British aeroplane is concerned I do not think my hon. friend's information is quite correct; I have some doubt about it. I have found that one could obtain almost any type of plane he wished from a British manufacturer. I have this to say, however, that as aviation is playing a great part in our national development, aircraft ought to be available as cheaply as possible. I am in favour of the British preference. I should like to see the British aircraft industry given an edge, and I agree, with the minister, that in view of the remoteness of the place of manufacturing from the market and additional sales expense the British aircraft industry does not have a great deal of the edge in this market. I agree with the hon. member who has taken his seat, however, that one of the basic elements in connection with our national development is as extensive, and strong a development of aviation as possible. If the aircraft we want cannot be obtained in Great Britain at a fair price it seems to me that we might well consider the suggestion of the hon. member that there be a reduction in the duty on American aircraft. Aviation is too important to be throttled by high duties. Instead of prohibiting the importation of American aircraft, the tariff has only had the effect of producing revenue. Aircraft comes in from the United States just the same and when you divide the amount of duty by the total number of miles travelled I do not think you will find that the cost of air transportation has been greatly increased. It seems to me that there are two points: first whether British aircraft is absolutely satisfactory for all purposes and secondly if the duty against American aircraft adds any substantial cost to the development of aviation in this country.

Mr. STEWART (Edmonton): From my short experience here in Ottawa I have come to the conclusion that there will be too many restrictions in connection with this item, no matter how it is phrased. The government will have to take the responsibility of reducing the duty. I can remember quite well when we reduced the duty on automobiles some years ago. There was a tremendous amount of opposition exhibited by the companies themselves but the reduction did not hurt them. I am not at all sure that the purchaser got the full advantage of the reduction and I am confident that the duty on automobiles could be reduced very materially without doing the industry any harm. There are a number of items where reductions could be made. There could be a very substantial reduction in the duty on farm machinery. The tariff board will hear all sorts of objections, valid and otherwise, from manufacturers in connection with the reduction of duties, but the fact remains that for years the people of this country have been paying through the nose for machinery needed in the development of this country. So far as I am concerned I believe that the only way to cure this situation is to reduce the duties and if this is done I think we will still have the manufacturers in this country. I believe the ingenuity of the Canadian manufacturers and mechanics is such as to enable the meeting of competition from any part of the world. I am sick and tired of hearing of mass

production and the necessity for large markets before we can compete in the manufacturing of the machinery which is so essential to the development of Canada. I believe there is only one way in which to cure this situation, reduce the duties which are imposed for the protection of our manufacturers.

Mr. RHODES: The hon. member for West Edmonton (Mr. Stewart) seems to have a suspicion in connection with the restrictions but if he is referring to the regulations provided for in the wording of this item, I would point out that his fears are not well founded.

Mr. STEWART (Edmonton): I am speaking in the light of some years' experience.

Mr. RHODES: I would point out to my hon. friend that the wording of this item has not been changed in the slightest degree. These regulations were necessary because of the peculiar character of this import as indicated to the hon. member for Shelburne-Yarmouth (Mr. Ralston). The wording has no reference to the question of duties or the value for duty purposes or anything of that kind, it merely affords an opportunity to the department to increase imports. Without attempting to enter into a general discussion of the merits of protection for industry, may I point out to my hon. friend that he and I am afraid the hon. member for Shelburne-Yarmouth to a lesser degree as well as the hon. member for Macleod (Mr. Coote), forget that this discussion arises out of an item where we have wiped out the duty.

Mr. STEWART (Edmonton): Only so far as Great Britain is concerned.

Mr. RHODES: The aircraft industry is fairly substantial at the moment and I take it it will increase considerably in the next year or two. We have permitted aircraft from Great Britain to come in free but we have not disturbed the intermediate or general tariffs. After imports have come in under this item for a year or two it will be time enough to consider what is the effect of these rates of duty. My view is that this reduction will result in a large increase in the importation of British machines and their servicing because of the fact that protection is afforded in this matter. It follows that we will have keen competition in connection with the importations which come in under the intermediate and general tariffs. If we have not gone as far as some hon. members would wish us to go, we have at least made a substantial advance by admitting this article duty free when it comes in from another country.

Mr. NEILL: I wonder if the minister would let me have a couple of minutes to deal with a matter which I want to hang on to this item although the connection is not very close. The only excuse for doing this at this point is that the matter to which I wish to refer is one which would come up at this time if we were dealing with it. I refer to item 445b which deals with radio machinery. I am not referring to the importation of radios as such, but rather to the importation of the parts, particularly electrical parts, used in the manufacture of these sets. The present rates are free, 25 per cent and 30 per cent. I follow the hon. member for Macleod (Mr. Coote) in suggesting that the minister might give instructions to the tariff board to look into this matter with a view to seeing if there could not be a substantial reduction made in the duty on parts brought in for the use of amateur stations. The work being done by these amateurs is very valuable but I do not think it is appreciated to the extent it should be and to the extent it is by those who are on the inside. These people spend an enormous amount of time and energy and money in experimenting and perfecting their amateur machines and the experience they gain is of great value to the industry as a whole. Last winter there was a tremendous storm in British Columbia when the rain and snow combined to cause considerable damage. Over large areas all telegraph and telephone lines were entirely out of commission. Our communities are run on a hand to mouth basis these days; country stores do not put in supplies to last three months or more like they used to, they buy from day to day. The result was that in some areas they ran short of food but these amateur wireless stations offered the use of their appliances and time in order to provide communication. The telephone company connected up with them and they furnished this valuable service entirely without charge. I do not think it would have been possible for them to have rendered this service had they not spent considerable time and money experimenting on their machines. For some reason which I have not at my finger tips at the moment these people do not find it convenient to get their material from Great Britain and they want to be able to obtain it from the United States. It is of a class or kind not made in Canada so that no harm would come to any Canadian industry if they were allowed to enter free. While I do not have it before me I could supply a list of what they suggest should be allowed to come in. They are mostly comparatively small items, and I am told that the larger part,

if not the whole of it, is of a type easily identified as for the use of amateurs only. It could not and would not be used for commercial purposes. Commercial men would not attempt to bring it in and sell it for commercial use. I think that is correct. If the minister would refer the matter to the tariff board all that information could be obtained. It would not do any Canadian manufacturer any harm because the stuff is not being made in Canada, nor would it hurt the British people because they do not make that type of manufacture. If the minister would be kind enough to consider it and possibly submit it to the tariff board I think he would find that there is a good deal in the contention that I am making.

Mr. RHODES: Without going into the merits of the case presented by my hon. friend from Comox-Alberni (Mr. Neill) may I point out to him that the item to which he refers is a conference item and is included in the British agreement. That provides for an irreducible margin of protection and it would not therefore be competent to disturb the item during the life of the agreement unless it were by consent of Great Britain. So the matter cannot be inquired into by the tariff board so long as the British agreement applies.

Mr. NEILL: But it might be found on investigation that the Britisher was not selling anything anyhow, and that he would not object to a change.

Mr. RHODES: I would have no objection, I might say to my hon. friend, in fact I should be very pleased, to bring the matter to the attention of the British authorities, and if it happens that they consent to an inquiry with respect to this item, well and good.

Mr. NEILL: I would undertake perhaps to get a short brief on the subject from some of the amateur associations.

Mr. ELLIOTT: I did not catch the amount of the duty collected under the British preference on this item last year.

Mr. RHODES: For 1934 our imports from the United Kingdom totalled $22,793.

Mr. ELLIOTT: That is the total imports?

Mr. RHODES: Total imports from the United Kingdom.

Mr. ELLIOTT: And the tax would amount to ten per cent of that?

Mr. RHODES: Yes, $2,279.

Item agreed to.

Customs tariff—451, agreed to.

[Mr. Neill.]

Customs tariff—451e. Slide or hookless fasteners: British preferential tariff, 30 per cent; intermediate tariff, 37½ per cent; general tariff, 40 per cent.

Mr. RHODES: I have an amendment here, Mr. Chairman, it merely adds the words "zipper fasteners." That term has now become generic and represents a class that is recognized and well defined.

Mr. GUTHRIE: I move accordingly, Mr. Chairman.

Mr. RALSTON: This is an increase in tariff recommended by the tariff board, is it not?

Mr. RHODES: That is right.

Mr. RALSTON: And it applies to what we all know as zipper fasteners?

Mr. RHODES: Yes.

Mr. RALSTON: Which are now manufactured in Canada?

Mr. RHODES: Yes.

Mr. RALSTON: Can the minister give us an idea of the amount manufactured in Canada, in dollars?

Mr. RHODES: The figures I have are for the year 1932, but I should be glad to give the figures for subsequent years to the committee. The total value of fasteners manufactured in Canada in that year was $483,600. Then, in addition, the manufacture of buckles amounted to $34,000.

Mr. RALSTON: That is the item on which the ten per cent increase is made?

Mr. RHODES: And the imports for that year amounted to $246,720.

Mr. STEWART (Edmonton): About one-half of the amount manufactured?

Mr. RHODES: Yes.

Mr. SANDERSON: Can the minister say where these fasterners are manufactured in Canada?

Mr. RHODES: By two firms in Montreal and one in Hamilton; I think they are incorporated companies.

Mr. RALSTON: How many people are employed?

Mr. RHODES: I have not those figures here but I shall be glad to get them for they are all in the possession of the board.

Mr. RALSTON: Would the minister get the total amount, in dollars, of the manufactures in Canada and the total amount of imports for 1933 and 1934; also the total

number of employees working on this particular item on which an increase of ten per cent is made; also the wage bill, one of my colleagues suggests.

Mr. RHODES: I shall be very glad to get the figures as to the value, but it may be difficult to get exact figures as to the number employed for the reason that it is difficult to segregate the hours of work that the employees in the industry might devote to zipper fasteners and to other types of manufacturing carried on by the same company; but to the best of our ability we shall endeavour to get the information.

Mr. RALSTON: And the wages too.

Mr. ILSLEY: Can the minister state the countries from which they are imported?

Mr. RHODES: The division of that figure which I gave, $246,000, is as follows: Imports from the United States, $129,396; United Kingdom, $51,493; Czechoslovakia, $45,177. Those figures are for the year 1932, as I have indicated.

Mr. ILSLEY: The operative duty then will be the 40 per cent rate under the general tariff because the largest volume of importation is from the United States, and the general rate from now on is to be 40 per cent.

Mr. RHODES: That is right.

Mr. ILSLEY: Is this a conference item?

Mr. RHODES: No, this is a tariff board finding.

Mr. ILSLEY: But is this an item covered by the agreement with Great Britain of 1932?

Mr. RHODES: No, these changes are effected on the findings of the tariff board.

Mr. RALSTON: The minister can find all the information I asked for with the tariff board, I think.

Mr. RHODES: All except for the difficulty I mentioned respecting the number of employees.

Mr. YOUNG: They must have pointed that out to the board when they made their application.

Mr. RHODES: No doubt.

Amendment agreed to.

Item as amended agreed to.

Customs tariff—475b, agreed to.

Customs tariff—506b. Wooden doors of a height and width not less than six feet and two feet, respectively: British preferential tariff, free; intermediate tariff, 22½ per cent; general tariff, 25 per cent.

Mr. FRASER (Caribou): May I ask what is the significance of this change?

Mr. RHODES: It is the result of a finding of the tariff board.

Mr. STEWART (Edmonton): Are there any imports from England at all?

Mr. RHODES: No, the imports have been negligible.

Mr. YOUNG: What is the idea? If the imports are negligible why not make it free under the general rate too?

Mr. RHODES: Representations were made by Great Britain.

Item agreed to.

Customs tariff—522d. Yarns and warps wholly of cotton, mercerized, number forty and finer, imported, under regulations prescribed by the minister, for sale to manufacturers, to be further manufactured in their own factories: British preferential tariff, free; intermediate tariff, 25 per cent; general tariff, 25 per cent.

Mr. BOUCHARD: As the minister is no doubt aware, an increasing quantity of mercerized cotton is being used throughout the whole industry for weaving purposes. Does this same exemption that is given to the manufacturer apply also to the home weaver?

Mr. RHODES: This item is precisely the same in its intent as it has stood for a number of years back. It has always been a manufacturer's item. The only change we are making is to widen the item so as to permit warehousing. Importation had to be made direct by the individual manufacturer and had to go into his factory, and it meant frequently that he had to stock up, locking up a considerable proportion of capital. Now he can utilize the goods only as he requires them, taking them out of the warehouse, and still have the same advantage of the lower tariff.

Item agreed to.

Customs tariff—530, agreed to.

Customs tariff—542b. Linen fire hose, lined or unlined: British preferential tariff, 25 per cent; intermediate tariff, 32½ per cent; general tariff, 35 per cent.

Mr. COOTE: Were the majority of these changes recommended by the tariff board? If so, in what way do they report? Do they submit a written report?

Mr. RHODES: Yes. When I refer to reports of the tariff board they have been tabled in the house in all instances. For example, with reference to the change I mentioned in connection with biscuits, I have under my hand the report and it will be tabled as soon as the committee rises and the house is again in session. This present change was not a tariff board change.

Mr. COOTE: In regard to the item covering zipper fasteners, would that be a tariff board recommendation?

Mr. RHODES: Yes; my hon. friend will find that the report is tabled in the house.

Mr. RALSTON: So that it may appear in the report, will the minister mention the items covered by tariff board reports.

Mr. RHODES: My hon. friend will get the full information in the budget speech; if not I will see that the record is made complete.

Item agreed to.

Customs tariff—546, agreed to.

Customs tariff—547, agreed to.

Customs tariff—554b, agreed to.

Customs tariff—556a, agreed to.

Customs tariff—556b, agreed to.

Mr. RHODES: I beg to move that schedule A to the Customs Tariff, as amended by resolution No. 5 of March 22, 1935, be further amended by striking thereout tariff items 569 (i), 569 (ii) and 569a, and by inserting in said schedule A the following items, enumerations and rates of duty:

Customs tariff—569 (i). Hats, hoods and shapes of hair-felt or of wool-and-hair-felt, under such regulations as the minister may prescribe: British preferential tariff, 22½ per cent; intermediate tariff, 30 per cent; general tariff, 35 per cent.

Customs tariff—569 (ii). Hats, hoods and shapes of wool felt: British preferential tariff, 22½ per cent; intermediate tariff, 30 per cent; general tariff, 35 per cent; and per dozen: British preferential tariff, 75 cents; intermediate tariff, $1.25; general tariff, $1.25.

Customs tariff—569 (iii). Hoods, and shapes, knitted, crocheted, plaited or woven in a single piece, and hoods and shapes of braid, not sewn, under such regulations as the minister may prescribe: British preferential tariff, free; intermediate tariff, 10 per cent; general tariff, 10 per cent.

Customs tariff—569 (iv). Hoods and shapes, n.o.p.: British preferential tariff, 22½ per cent; intermediate tariff, 30 per cent; general tariff, 35 per cent; and per dozen: British preferental tariff,—; intermediate tariff, 50 cents; general tariff, 50 cents.

Customs tariff—569 (v). Hats, n.o.p.: British preferential tariff, 22½ per cent; intermediate tariff, 30 per cent; general tariff, 35 per cent; and per dozen: British preferential tariff, 75 cents; intermediate tariff, $1.50; general tariff, $1.50.

Customs tariff—569a (i). Berets of wool, knitted and fulled: British preferential tariff, 22½ per cent; intermediate tariff, 30 per cent; general tariff, 35 per cent; and per dozen: British preferential tariff,—; intermediate tariff, 65 cents; general tariff, 65 cents.

Customs tariff—569a (ii). Caps, bonnets and berets, n.o.p., under such regulations as the minister may prescribe: British preferential tariff, 22½ per cent; intermediate tariff, 30 per cent; general tariff, 35 per cent.

Mr. RALSTON: Will the minister allow this item to stand?

Mr. RHODES: Yes.

Mr. RALSTON: I recollect that there was a good deal of agitation about this item with regard to hats, hoods and shapes. At the time the Prime Minister was in France some change was made. A tentative arrangement was made with him which was protested very vigorously by some manufacturers in Canada. Can the minister tell us whether or not under the French treaty any substantial change was made and what the effect was on the duties collectible under the item?

Mr. RHODES: The reduction was only on berets, but I will look up the record and give my hon. friend an exact answer after I have refreshed my memory. In the meantime this whole item will stand.

Item stands.

Customs tariff—571a. Carpeting, rugs, mats and matting of cocoa fibre: British preferential tariff, 30 per cent; intermediate tariff, 37½ per cent; general tariff, 40 per cent.

Mr. RALSTON: I am looking at the schedule to the budget speech—

Mr. RHODES: The amendment which I have moved is the result of a finding by the tariff board. That report is only now here for tabling and will be tabled to-day. The present item, 571a, is already in the schedule and in the budget as well.

Mr. STEWART (Edmonton): That is an increase.

Mr. RHODES: This is an item which was dealt with as a result of a finding by the board. It is a reduction under all tariffs.

Mr. RALSTON: I have here the schedule to the budget speech and under item 572 I find oriental and imitation oriental rugs or carpets. I should like to know how item 571a got into the printed resolutions when it was not in the schedule to the budget speech.

Mr. RHODES: The reason is that the finding of the tariff board came in after the budget, and when it came in and was tabled we had this 571a added.

Mr. STEWART (Edmonton): The minister says it is a reduction. According to the item here it is an increase right across the board.

Mr. RHODES: No. My hon. friend has not noticed that the specific duty has been dropped under the budget. For instance there was a duty of 10 cents per square foot under the general and also the British preferential. That has been dropped.

Mr. STEWART (Edmonton): Is my hon. friend convinced that the increase from 15 to 30 per cent and from 22½ to 37½ per cent and from 25 to 40 per cent will not more than offset the 10 cents per foot?

Mr. RHODES: I may say first that this is without a single exception implementing recommendations based on findings of the tariff board, with respect to every single item in the tariff which has been referred to. I have pursued that policy, and propose to continue to do so. To answer the question specifically I may say that 10 cents per square foot represents almost 900 per cent in some cases, so it is by far the larger item, and represents a real concession.

Item agreed to.

Mr. RALSTON: I want to withdraw what I said to my hon. friend about his budget speech. I find that item 571a comes after 572; that is what misled me.

Mr. RHODES: It was because the report came in subsequently, and they had to slip the sheet in.

Mr. RALSTON: I only want it to be on record that the correction is here.

Customs tariff—572. Oriental and imitation Oriental rugs or carpets; carpeting, carpets and rugs, n.o.p.:—

(a) If valued at less than two dollars per square yard: British preferential tariff, 30 per cent; intermediate tariff, 35 per cent; general tariff, 40 per cent.

And per square foot: British preferential tariff, 3 cents; intermediate tariff, 15 cents; general tariff, 20 cents.

(b) If valued at two dollars or more per square yard: British preferential tariff, 30 per cent; intermediate tariff, 35 per cent; general tariff, 40 per cent.

And per square foot: British preferential tariff, 5 cents; intermediate tariff, 15 cents; general tariff, 20 cents.

Mr. RHODES: This is merely an amendment dealing with verbiage. It is to delete the semicolon after the phrase "or carpets" in line one, and insert in lieu thereof the word "and."

Amendment agreed to.

Item as amended agreed to.

Customs tariff—598. Brass band instruments, n.o.p.; parts of pianofortes and parts of organs: British preferential tariff, free; intermediate tariff, 22½ per cent; general tariff, 25 per cent.

Mr. ELLIOTT: Would the minister state how much came in under the British preference last year?

Mr. RHODES: The amount was very small. It is to be hoped that now they are made free it will be larger. The total amount which came in from the United Kingdom last year had a value of $2,738.

Item agreed to.

Customs tariff—603, agreed to.

Customs tariff—609, agreed to.

Customs tariff—621, agreed to.

Customs tariff—624a, agreed to.

Customs tariff—650a, agreed to.

Customs tariff—682. Fish hooks, for deep-sea or lake fishing, not smaller in size than number 2·0; fishing nets and nettings of all kinds; threads, twines, marlines, fishing lines, rope and cordage of cotton, hemp, manila or other vegetable fibre, not exceeding one and one-half inches in circumference, to be used for fishing purposes or for the construction or repair of fishing nets; the foregoing not to include such articles used for sportsmen's purposes and to be subject to such regulations as the minister may prescribe: British preferential tariff, free; intermediate tariff, free; general tariff, free.

Mr. NEILL: I should like to thank the minister and his officials for their courtesy in adjusting the wording of this item. The hon. member for Skeena (Mr. Hanson) and myself took it up last year and had a good deal of correspondence about it. The change helps to make it easier for the fishermen to get their cord in for their nets, and to that extent makes it cheaper for them to operate.

Item agreed to.

Customs tariff—691, agreed to.

Customs tariff—696, agreed to.

Customs tariff—783. Internal combustion and steam engines, transmission assemblies and parts thereof, magnetos, starting motors, electric generators, propeller shafts, steel chassis frames, brakes, clutches, brake and clutch controls, steel road wheels, steel rims for pneu-

matic tires, larger than thirty inches by five inches, steering gears and front and rear axles, and complete parts thereof, all of a class or kind not made in Canada, when imported by manufacturers of motor trucks with standard equipment (not for use on railways or tramways), not to include machines or other articles mounted thereon or attached thereto for purposes other than for loading or unloading the truck, for use only in the manufacture of such motor trucks: British preferential tariff, free; intermediate tariff, 17½ per cent; general tariff, 20 per cent.

Mr. COOTE: Would the minister explain the significance of this item?

Mr. RHODES: The phrase "internal combustion" is substituted for the word "gasoline" in order that the manufacturers of motor trucks may import engines of the diesel or semi-diesel type; and, secondly, the phrase "of the foregoing" is substituted for the word "thereof" in line 8, as being a clearer rendering. Otherwise the item, which covers chiefly goods of a class or kind not made in Canada, is not changed in rates or wording.

Mr. COOTE: Is there no change in the rate of duty at all?

Mr. RHODES: No, except of course that the construction placed on "internal combustion" by enlarging the definition from "gasoline" will to that extent mean a reduction in all tariffs.

Mr. COOTE: May I direct the attention of the minister to something very peculiar in connection with the price of motor trucks in Canada? I notice that from Great Britain they are free, subject to 17½ per cent duty under the intermediate tariff and 20 per cent of the general tariff. But the prices which we are compelled to pay for them in Canada, compared with prices in the United States, are considerably more than 20 per cent higher. I do not know how to account for it.

Also on April 1, an answer was given to a question which I placed on the order paper asking for the number and average value of the motor trucks produced in Canada and exported in the years 1933 and 1934, and the number and average value of motor trucks produced in Canada for home consumption in each of those years. The answer gave the number exported and their value for those two years, but said that information was not available as to the value of those produced in Canada for home consumption. I am unable to understand why the department would have a record of the number of trucks exported and their value, but no record of the value of those produced in Canada for home consumption. One of my reasons for calling attention to the matter is that the average value of all motor trucks produced in Canada for export in 1934 was $348. That sounds like a reasonable price for a motor truck. One of the cheap trucks produced in Canada is the Chevrolet half-ton delivery truck, which is priced at $685 at the factory at Oshawa. I do not think there is a smaller truck made than the half-ton size. In other words, the price of the cheapest truck at the factory in Canada is $337 more than the average value given for all trucks exported. These figures seem to indicate that we are being compelled to pay far too much for our trucks. I hope the minister will see his way clear, while he is still Minister of Finance and before this session is over, to reduce the duty on motor trucks. A motor truck to-day is one of our farm implements, in many districts it has entirely displaced waggons, and we cannot afford to pay these very high prices. There is a good deal I should like to say about motor trucks and also motor cars, but I will content myself with again urging the minister to see that the necessary action is taken to make motor trucks available to us in Canada at a price nearer that which our competitors in other countries must pay. I feel satisfied that the trucks which are exported are sold to our competitors outside of Canada at a lower price than we in Canada must pay for them. I do not think there is any doubt about that; certainly these figures indicate it.

Mr. RHODES: My hon. friend of course will appreciate that this administration have placed motor cars, including motor trucks, on the free list under the British preference. With respect to the general question of motor cars, my hon. friend would not expect me to enter into a discussion of the matter for the reason that the whole question has been referred to the tariff board, who are now conducting an exhaustive inquiry into it. Until they have reported, in any event, no action could be taken.

Mr. COOTE: Does that inquiry cover trucks as well as cars?

Mr. RHODES: Yes, the whole motor industry.

Item agreed to.

Customs tariff—1021. Rolled round wire rods in the coil, of iron or steel, not over three-eights of an inch in diameter: when used in the manufacture of galvanized iron or steel wire, curved or not, numbers nine, twelve and thirteen gauge, with variations from such gauges not exceeding four one-thousandths of an inch: drawback, 99 per cent.

Mr. RHODES: I want to move an amendment, substituting the following:

Customs tariff—1021. Round rolled wire rods in the coil, of iron or steel, not over ·375 inch in diameter: when imported under the British preferential tariff and used in the manufacture of galvanized iron or steel wire, curved or not, ·144, ·104, or ·092 inch in diameter, with tolerance not to exceed ·004 inch, but not when such wire is for use in telegraph or telephone lines: drawback, 99 per cent.

Mr. RALSTON: What is the change?

Mr. RHODES: It provides a drawback of 99 per cent under the British preference in connection with that class of wire which, it will be observed, has been made free for use in making barbed wire, under item 402c of the schedule.

Mr. RALSTON: What is the difference between this and the present item 1021?

Mr. RHODES: This is restricted to the British preference.

Mr. STEWART (Edmonton): The drawback?

Mr. RHODES: Yes.

Mr. CANTLEY: What is the purpose of changing the sizes?

Mr. RHODES: We have taken the exact sizes and gauges that have been in the tariff item for some five or six years. They have not been changed by me in anything I have done.

Mr. CANTLEY: They have been changed, and I think it is very confusing. The British wire gauges have been the same for over a century, and I do not see any reason for changing the description now. I do not know how you are going to measure it.

Mr. RHODES: I would be the last person in the world to attempt to discuss this matter with my hon. friend from Pictou, who has forgotten probably more than I will ever know about it, but I am only saying that I have kept the sizes as I found them.

Mr. CANTLEY: I think you had better revert to the original practice.

Mr. RALSTON: It seems to me that the effect of the amendment is really to put a duty on foreign rods of this kind. As I understand it the drawback of 99 per cent applied to all countries, Great Britain, the United States and every other country. Now it is being provided that the drawback shall only apply to Great Britain, and therefore the duty against these other countries goes on automatically. Is that not so?

Mr. RHODES: Except that they can get, and this item is designed to see that they do get, their wire from British sources under the British preference, or in Canada.

Mr. STEWART (Edmonton): This is an increase against foreign imports, then.

Mr. RHODES: If they want to import from foreign countries it is an increase.

Mr. RALSTON: Then it is not giving Great Britain a preference by reducing the duty; it is granting the preference by putting back the duty against other countries.

Mr. RHODES: In a sense.

Amendment agreed to.

Items as amended agreed to.

Customs tariff—1024. Rolled round wire rods in the coil of iron or steel, not over ·375 inch in diameter, when used in the manufacture of iron or steel, coated with zinc or spelter, curved or not, in coils, not more than ·144 inch and not less than ·080 inch in diameter, with tolerance not to exceed ·004 inch when such wire is used by manufacturers of barbed fencing wire or of wire fencing for use exclusively in the manufacture of barbed fencing wire or of wire fencing, in their own factories: drawback, 99 per cent.

Mr. RHODES: I have an amendment to move to this item, which I am advised is purely a question of verbiage, in order to make this item conform to item 1021. The amendment reads:

Rolled round wire rods in the coil, of iron or steel, not over ·375 inch in diameter, when imported under the British preferential tariff and used in the manufacture of wire of iron or steel, coated with zinc or spelter, curved or not, in coils, not more than ·144 inch and not less than ·080 inch in diameter, with tolerance not to exceed ·004 inch, when such wire is used by manufacturers of barbed fencing wire or of wire fencing for use exclusively in the manufacture of barbed fencing wire or of wire fencing, in their own factories: drawback, 99 per cent.

Provided that drawback payable under this item is in lieu of drawback payable under any other item.

Mr. STEWART (Edmonton): Just what does that mean?

Mr. RHODES: It means they may take the drawback under one item or the other, but not under both.

Amendment agreed to.

Item as amended agreed to.

Customs tariff—1039 agreed to.

Customs tariff—1044. Fire brick: when used by manufacturers of iron or steel in the construction or repair of a blast furnace, open hearth furnace or rolling mill furnace: drawback, 99 per cent.

Mr. YOUNG: Why are these people given a drawback when other people using fire brick are not?

Mr. RHODES: We are really widening the item. Hitherto the importation has had to be made by the manufacturer for use in his own plant. There has been no change in the item at all except to permit this fire brick to be warehoused so the manufacturers can use it as they need it, just as we have done in connection with yarns in a previous item.

Mr. YOUNG: That is to say, the fire brick coming in will pay the duty; it can be put into a warehouse and then if it is sold to a manufacturer of iron and steel the duty is paid back while if it is sold to anyone else there is no rebate?

Mr. RHODES: That is correct.

Mr. YOUNG: Why the discrimination?

Mr. RHODES: There must be some good reason, for it has been there a good many years.

Mr. YOUNG: I suppose it would be the reason advanced by the makers of iron and steel.

Mr. REID: May I ask why electric furnaces and converters are not included in this item? I notice that the item now reads:

When used by manufacturers of iron or steel in the construction or repair of a blast furnace, open hearth furnace or rolling mill furnace.

These bricks may be used in converters.

Mr. RHODES: As I am at present advised, and speaking from memory, I have not received a request to have the item worded to include electric furnaces. We took the item as we found it, and as I have indicated we enlarged upon it. So far as I can recall I can think of no objection to enlarging it to include electric furnaces, as suggested by the hon. member, but as I have indicated I have had no request to that effect.

Mr. REID: I know that both electric furnaces and converters use the same kind of brick, and that that way of manufacturing steel is growing.

Mr. RHODES: It would seem that entry must have been permitted, otherwise I am sure we would have heard from electric furnace producers. They do not fail to become vocal in matters of this kind.

[Mr. Rhodes.]

Mr. STEWART (Edmonton): There is no question about electric furnaces becoming popular.

Mr. RHODES: Quite so.

Mr. YOUNG: Where in Canada is fire brick manufactured, and how many men are employed in the industry?

Mr. RHODES: I cannot give the number of employees, but upon inquiry I might be able to secure that information. I believe there are about nine plants in Canada manufacturing fire brick, and the volume of their production is valued at about a quarter of a million dollars.

Mr. YOUNG: I can remember a complaint being made some years ago by hon. members on the other side of the house to the effect that Canadian manufacturers were placed under considerable handicap because some one in Canada claimed he had clay to make fire brick and wanted the industry encouraged.

Item agreed to.

Customs tariff—1049. Bituminous coal, imported on or after March 23, 1935.

(a) When converted into coke and the coke sold for use as fuel in other than a coke or gas plant, 50 per cent.

(b) When converted into coke and the coke sold for use as fuel in other than a coke or gas plant; provided that not less than 35 per centum, by weight, of the bituminous coal so used, as covered by each drawback claim, was mined in Canada, 99 per cent.

Provided that drawback payable under this item is in lieu of drawback payable under any other item.

Mr. RHODES: I shall ask to have the following amendment moved:

I beg to move that drawback item 1049, as contained in resolution No. 6 of March 23, 1935, be amended to read as follows:

1049—Bituminous coal, imported on or after March 23, 1935—

(a) when converted into coke and to be sold for use as fuel in other than a coke or gas plant, 50 per cent.

(b) when converted into coke to be sold for use as fuel in other than a coke or gas plant; provided, that not less than 35 per centum, by weight, of the bituminous coal so used, as covered by each drawback claim, was mined in Canada, 99 per cent.

Provided that drawback payable under this item is in lieu of drawback payable under any other item.

Mr. SUTHERLAND: I move accordingly.

Mr. STEWART (Edmonton): You increase the 35 per cent?

Mr. RHODES: No, there are no changes in the figures. What we are doing is this: We are carrying out the intent of the original item, namely that it should be for the users,

sold for fuel, and should not be so that they would get a drawback under the guise of coking for their own use. It is carrying out the original intention of the drawback item.

Mr. MACDOUGALL: Would that not give a most distinct and favourable advantage to coke in the Montreal market. They are today selling it in Warsaw for $11.50 per ton and in Montreal for $7.80.

Mr. RHODES: This has no bearing upon that at all. As a matter of fact it is restricting the interpretation of the act, as was originally intended, and not permitting the item to be used by way of evasion.

Mr. MACDOUGALL: I wish to thank the minister for that information. After some study I was of the opinion that perhaps the dumping duty should be applied against coke and coal shipped to Montreal. I am grateful for the minister's explanation. This is very important to the province of Nova Scotia.

Mr. ELLIOTT: Is there a difference in the time at which the drawback is payable? Is the drawback payable before it is actually sold?

Mr. RHODES: Yes, the customs authorities will act as long as they are convinced it is to be sold as fuel.

Mr. ELLIOTT: That is the difference?

Mr. RHODES: Yes; otherwise you would have to stock up an enormous quantity and lock up a lot of capital.

Amendment agreed to.

Item as amended agreed to.

The CHAIRMAN: The next is resolution No. 7:

7. Resolved, that schedule C to the customs tariff, as amended by chapter thirty-two of the acts of 1934, be amended by striking thereout tariff item 1212 and by substituting therefor the following:—

1212. Aigrettes, egret plumes or so-called osprey plumes, and the feathers, quills, heads, wings, tails, skins, or parts of skins of wild birds either raw or manufactured; but this provision shall not apply to:—

(a) the feathers or plumes of ostriches;

(b) the plumage of the English pheasant and the Indian peacock;; the plumage of wild birds of groups recognized as game birds in any Canadian game law, and for which an open season is provided thereunder;

(c) the plumage of birds imported alive; nor to—

(d) specimens imported under regulations of the minister for any natural history or other museum or for scientific or educational purposes.

Mr RHODES: Resolution No. 7 is purely a question of wording. It has been inserted at the request of the Department of National Revenue to conform to changes in the game laws brought about as a result of international conventions.

Resolution agreed to.

CUSTOMS TARIFF AMENDMENT

1. Resolved, that the customs tariff, being chapter forty-four of the revised statutes of Canada, 1927, as amended by chapter thirty-nine of the acts of 1929, chapter thirteen of the acts of 1930 (first session), chapter three of the acts of 1930 (second session), chapter thirty of the acts of 1931, chapter six and thirty-seven of the acts of 1932-33, and chapters thirty-two and forty-nine of the acts of 1934, be further amended by adding to section 4 thereof the following subsections:—

(i) from time to time, grant the most favoured foreign nation treatment to any British country or to any territory administered under a mandate of the League of Nations by any British country; and from and after the date specified in the order in council the most favoured foreign nation treatment shall apply to goods the produce or manufacture of such British country or mandated territory, subject to the provisions of this act;

(j) from time to time, withdraw the most favoured foreign nation treatment from any British country or any territory administered under a mandate of the League of Nations by any British country to which it has been extended; and from and after the date specified in the order in council the most favoured foreign nation treatment shall cease to apply to goods the produce or manufacture of such British country or mandated territory, subject to the provisions of this act.

Mr. RHODES: We are taking the first resolution under the customs tariff appearing at page 5. I should like to move an amendment which would have the effect of enlarging the resolution to enable us by order in council to grant favoured nation treatment to other countries as well as British countries. I am in the hands of the committee, and I am content to add a provision under which the order in council should be reported to parliament within fourteen days of its opening. I know there is some hesitancy on the part of certain hon. members as to permitting changes by order in council.

Mr. STEWART (Edmonton): It is to give favoured nation treatment?

Mr. RHODES: Yes, by order in council. For instance, we entered into a trade agreement with Poland in which we gave them favoured nation treatment. By virtue of the fact that we had not authority by order in council to grant that treatment to Great Britain, actually Poland was in a better position than Great Britain with respect to certain

commodities included in that treaty. What we are asking in the amendment as submitted is to be permitted by order in council to give to Great Britain the favoured nation treatment we give to other countries. The amendment I should like to move is to enlarge the arrangement so as to enable us to give that treatment to any country, because at the present time there are negotiations with other countries which I believe will result in our arriving at an understanding in the near future but probably not before parliament rises. In that event we would be able to grant favoured nation treatment to those countries. The obvious advantage would be that we could immediately give to the mother country the same treatment as we give to other countries should this resolution pass in its present form. Seven, eight or nine months might pass before a new parliament would be summoned and our hands would be tied in the meantime. It is not only a question of the lack of opportunity to grant the same treatment to Great Britain during that period of time, but the committee will understand that once a trade agreement is entered into and business arrangements are effected and trade channels are formed it is not always so easy to retrace your ground.

Mr. ELLIOTT: Would it be possible under the order in council to increase the duties?

Mr. RHODES: No, it is all a question of lowering the duties. The order in council as provided for in resolution number one would merely permit us to give Great Britain or any other British country the same favoured nation treatment as we give to any other country. Referring back to the case I cited, that of Poland, it would enable us to immediately place any British country upon the same level.

Mr. ILSLEY: What the minister says is correct in connection with (i), but what about (j)?

Mr. RHODES: We are using precisely the same verbiage as is now in the statute; give or withdraw, as the case may be.

Mr. STEWART (Edmonton): I know the government have taken extraordinary powers, but it has not the power to put into effect a treaty which affects tariff schedules with another country without confirmation.

Mr. RHODES: There are no schedules in connection with the trade agreements made with a number of countries; the wording is, "favoured nation treatment." As the matter stands at present we are unable to give that favoured nation treatment by order in council to any British country or any other country.

[Mr. Rhodes.]

Mr. STEWART (Edmonton): I would expect that. I am not aware of the extent to which the government has taken the authority to enact by order in council what is nothing more or less than legislation, and I want to be clear in connection with this matter. For example, the government might negotiate a treaty with Poland which provided for favoured nation treatment, but that treaty would not go into effect until ratification.

Mr. RHODES: Quite so.

Mr. YOUNG: I understand we are amending this chapter by adding these two paragraphs. If paragraph (j) is already in the act it would not need to be in the resolution.

Mr. STEWART (Edmonton): If you have power to do one thing you must have the power to do the other. If you have the power to make a treaty of this kind with Poland, to give favoured nation treatment without reference to parliament, then you would not need this power to give the same treatment to Great Britain.

Mr. RHODES: I do not think my hon. friend has expressed himself as clearly as he did before. We will admit that we have a treaty and that it has been ratified by parliament. We would then have to turn around and make a specific treaty with the mother country. If we can do that by order in council we shall have the benefit of all the intervening months before parliament sits. But as I said before, I should be quite content to have it stipulated that where we made it applicable to another country the order in council would have to be presented to parliament within fourteen days of the opening of the next session.

Mr. STEWART (Edmonton): That is no protection.

Mr. RHODES: In order that it could be ratified. It is merely a question of our having the facilities for entering into trade agreements with the least possible delay. I cannot see any serious objection to that.

Mr. STEWART (Edmonton): Assume that ratification has taken place and then it is discovered that there are items which affect the British preferential tariff; it is that that the minister wishes to cure.

Mr. RHODES: Great Britain has never had the benefit of favoured nation treatment.

Mr. RALSTON: As I understand section 4 of the Customs Tariff, it permits the governor in council to extend or withdraw the benefits of the British preferential tariff or to extend or withdraw the benefits of the intermediate tariff. After a trade agreement

has been made with one country this section does not permit the governor in council to extend the benefits of that agreement to a different country in connection with which the British preferential, intermediate or general tariffs have applied. It seems to me that there is a different principle involved. There are only three tariffs authorized by parliament, the general, the intermediate and the British preferential, and section 4 does not give the right to extend these tariffs to various countries. I submit that you must obtain the right from parliament to provide schedules under the general, intermediate or British preferential tariffs and it seems to me that when you obtain that right would be time enough to provide that it could be extended to some other country.

Mr. RHODES: Is my hon. friend keeping section 11 in mind?

Mr. RALSTON: I was looking at section 4.

Mr. RHODES: Section 11 reads:

> The governor in council may by order in council make such reductions of duties on goods imported into Canada from any other country or countries as may be deemed reasonable by way of compensation for reductions on Canadian products granted by any such country or countries.

Mr. RALSTON: You do not use the words "favoured nation treatment." While you are making an agreement with Poland you might at the same time make one with Great Britain, but as my hon. friend for Hants-Kings (Mr. Ilsley) points out, only reductions would be made under the authority of section 11.

Mr. RHODES: You would have to deal with them commodity by commodity; you would not use the words "favoured nation treatment."

Mr. RALSTON: I am trying to retain the control of parliament over customs tariff items. There are really four classes of tariffs, general, intermediate, British preferential and special items provided under section 11 by way of compensation. My hon. friend wants to extend matters one step further. Having provided for special items by way of compensation to apply to a particular country my hon. friend wants to apply these to some other country notwithstanding the fact that there is no compensation provided by that latter country. My hon. friend has the power to carry this through if he so desires but with all deference I oppose the extending of that right of the governor in council.

Mr. RHODES: I do not press my contention so far as that is concerned, but I submit that there is a sound reason for the action we have taken in the budget in asking for authority by order in council to grant favoured nation treatment to British countries. Otherwise we are in the anomalous position of placing British countries in an adverse position as compared with foreign countries. I think it is desirable that we should have the same authority with respect to every country, but if there is any serious objection I would not press it under all the circumstances at this stage of the session.

Mr. STEWART (Edmonton): Why have you not authority under the present section 11 to do what you are desirous of doing? Is it because of a special treaty?

Mr. RHODES: Until this budget we could not in terms grant favoured nation treatment to any British country, and it is a fact that there are favoured nation items which are lower than the British preference rates.

Mr. RALSTON: But the term "favoured nation treatment" does not seem to be used in the customs tariff at all.

Mr. RHODES: I will try to find the wording in the act.

Mr. STEWART (Edmonton): Would the minister mind allowing this proposal to stand for the present?

Mr. RHODES: Not a bit.

Mr. STEWART (Edmonton): I for one would hate to raise any objection to a reduction in tariffs, nor do I want any discrimination against British countries, but it does seem to me that the minister's proposal requires some consideration before the committee should accede to it.

Mr. RHODES: There is no objection, Mr. Chairman, to allowing the resolution to stand, although it means precisely what it meant when it was brought down two months ago. At the same time I should like hon. members to bear in mind the question whether if we pass this resolution, as I trust we will, it might not be wise to enlarge it along the lines I have suggested.

Mr. RALSTON: Perhaps I went further than I should have in connection with this particular resolution. I was dealing rather with my hon. friend's suggestion to amend it to extend to other countries. I am not opposing my hon. friend's resolution to extend favoured nation treatment to British countries, but I do oppose extending it to any country.

Mr. ILSLEY: I was under the impression that the government could always at any time reduce duties by order in council.

Mr. RHODES: Specific items under section 11 of the Customs Tariff, but not with respect to favoured nation treatment.

Mr. ILSLEY: Is not that the only practical end that is to be sought, the reduction of duties on certain items? I do not see what practical difficulty the government meet without this amendment. Suppose they make a treaty with another country. Then they find that under that treaty goods are coming in at a lower rate than the rate charged against other British countries. They can immediately correct that situation without any amendment such as the minister suggests.

Mr. RHODES: That is all that the amendment proposes to do.

Mr. ILSLEY: But you do not need it; you can do it now.

Mr. RHODES: No, we cannot.

Mr. ILSLEY: Is it not well settled that duties may be reduced or removed?

Mr. RHODES: If there is a concession under section 11 of the Customs Tariff, but we may not be able to get a concession at all, in which event we could not concede a reduction to Great Britain unless this resolution passes.

Mr. YOUNG: I did not get an answer as to why (j) is included. If you have already the power to withdraw the most favoured nation treatment granted to any British country, why put in a clause giving you that power?

Mr. RHODES: If my hon. friend will look up the Customs Tariff he will find in section 4 the powers granted to the governor in council. He will find that paragraphs (a), (b), (c), (d), (e), (f), (g) and (h) are all parallel —grant withdrawals; grant withdrawals—by order in council. We are just following the same verbiage and the same course as is outlined in section 4 of the Customs Tariff. However, inasmuch as this resolution is to stand I do not know that there is any object in our pursuing the subject too far at this stage.

Mr. RALSTON: Does my hon. friend intend to move the amendment which he suggested?

Mr. RHODES: If it were a question of having this resolution put through as it is I would withdraw the amendment, or would not press it at all events, although I think it is desirable that I should ask for the amendment.

Mr. RALSTON: I suggest that we carry this resolution as it is.

Mr. RHODES: Inasmuch as one item is standing we might as well let this stand.

Mr. STEWART (Edmonton): Let this go through if my hon. friend is withdrawing his suggested amendment.

Mr. RHODES: If it were a question of clearing up the whole thing I would accept at once, but inasmuch as we have one tariff item standing—

Mr. RALSTON: What was the item?

Mr. RHODES: Hats.

Mr. RALSTON: I just wanted to look at that item. I think we can dispose of that.

Mr. RHODES: The amendment I moved is in conformity with the finding of the tariff board.

Mr. RALSTON: Does my hon. friend want to revert to item 569?

Mr. RHODES: If there is no objection, yes.

Mr. RALSTON: Referring to item 569 (i), 569 (ii), 569 (iii) and 569 (v), I wanted to look at the summary of the tariff board, which is on page 32 of the board's report. My hon. friend intimated that there was a reduction all along the line, which is quite apparent, except for one thing, and that is the fixed amount of 75 cents under the British preference, $1.50 intermediate tariff, and $1.50 general tariff. Perhaps my hon. friend could ascertain in respect of the articles covered by sub-item 569 (v) whether or not the amounts of the specific duty under the old item were greater than these amounts of 75 cents, $1.50 and $1.50, and if so what they were.

Mr. RHODES: In the case referred to the revision is downward. The old rates were 22½, 30 and 35 per cent, plus 60½ cents, 65 cents and 67½ cents.

Mr. RALSTON: The new rates are up under this particular item. I do not know whether my hon. friend has the right item before him.

Mr. RHODES: The old rate was 22½, 30 and 35 per cent, and, per dozen, $1.80, $1.95 and $2.02½. These have been changed to 75 cents, $1.50 and $1.50. So that there is a reduction there also.

Mr. RALSTON: Is that the big item?

Mr. RHODES: The value is not segregated; it is between hats, hoods and shapes. I am informed however that the item, though a large one, is not by any means the largest.

Mr. RALSTON: The intermediate applies to France only?

Mr. RHODES: No; France and Italy both have the intermediate.

Mr. RALSTON: I have no desire to have the item held. With regard to the other items, there is no disposition on this side to hold it up if my hon. friend is willing to go ahead with the resolutions as printed.

Item agreed to.

2. Resolved, that the aforesaid section 4 be further amended by adding thereto the following subsection:

(4)A. For the purposes of this act, the Netherlands Indies, Surinam and Curacao shall be regarded as comprising one country with the Netherlands.

Resolution agreed to.

3. Resolved, that the aforesaid customs tariff be further amended by deleting from section 11 thereof the words "reductions on Canadian products" and by substituting in lieu thereof the word "concessions."

Mr. RHODES: This widens the item; there must be a real concession. It means some quid pro quo.

Mr. RALSTON: But it need not necessarily be in the present.

Mr. RHODES: That is going pretty far. I would defer to my hon. friend in the interpretation of a legal phrase but that is going rather far.

Resolution agreed to.

4. Resolved, that the aforesaid customs tariff be further amended by adding thereto the following section, as section 18 thereof:—

(18) In the event of any duty imposed under this act upon spirituous or alcoholic liquors having been reduced, if it is made to appear to the governor in council that in any province the prices of such goods to the consumer have not been reduced to, or are not being maintained at, levels which will give the consumer the full benefit of any such reduction, the governor in council may order that such reduction shall be no longer in effect and, upon publication of such order in the Canada Gazette, the full rates of duty theretofore payable on such goods shall again be in force and effect.

Mr. RALSTON: Is that with regard to a particular province?

Mr. RHODES: It is to be hoped that we shall not have to use the authority, but it is designed to prevent the provinces from taking advantage of the reduction which was made for the purpose of attempting to make a contribution towards obviating, at least in part, the illicit sale of liquor. It was meant to hold this authority to prevent the provinces from evading that intention. I do not think they will evade it in view of this provision.

Mr. STEWART (Edmonton): Has the minister looked into the constitutionality of this action?

Mr. RHODES: I have not made specific inquiry but I have not had occasion to call it in question. I do not think there is any constitutional difficulty; the question of duty is solely within the purview of the dominion parliament.

Mr. STEWART (Edmonton): But you do not mean to say that because one province is a sinner you will make all the others suffer.

Mr. RHODES: The constitutional question does not arise at all, but the practical effect will be that the other provinces will be brought into line.

Resolution agreed to.

Mr. RHODES: I would ask that the amendment to No. 1 stand. The suggested amendment came from the Department of External Affairs and it would not be courteous not to confer with them before agreeing either to drop it or to insist on going on with it. For that reason I would ask that it stand.

Mr. RALSTON: Does the minister intend to go on to-night after nine o'clock?

Mr. RHODES: I do not think I can stand it, but I shall see.

At six o'clock the Speaker resumed the chair and the house took recess.

After Recess

The house resumed at eight o'clock.

PRIVATE BILLS

SECOND READINGS

Bill No. 76, for the relief of Nora Ellen Moore McCabe.—Mr. Bell (St. Antoine).

Bill No. 77, for the relief of Hildur Emilia Hill Soucy.—Mr. Bell (St. Antoine).

Bill No. 78, for the relief of Ethel Ellis Callow Randles.—Mr. Bell (St. Antoine).

FISHERIES ACT AMENDMENT

Mr. THOMAS REID (New Westminster) moved that the house go into committee on Bill No. 17, to amend the Fisheries Act, 1932, (as reported against by the standing committee on marine and fisheries).

He said: Before the motion is put I have a few remarks to make concerning the bill and what took place in the committee. It is not my intention to cover the ground I covered when the bill was first introduced. At that time I dealt with the matter very fully. But in view of the fact that the committee has reported against it I want to make some statement as to what took place.

First I draw the attention of the house to the fact that on that committee there are some thirty-five members, and that when the matter came up for final decision there were seventeen present besides the chairman, and the vote was nine to eight. In view of that I felt it my duty to protest against the report of the committee being brought in, and to make a statement relative to some of the evidence that was laid before it.

When the final report was laid on the table there was at least one paragraph in it that I do not think the committee considered at all. I shall not read the whole of the third report, but it states in part that:

> After consideration, your committee is of the opinion that the public interest, as a whole, would not best be served by the passing of the proposed legislation.

Now that question was not discussed before that committee when the vote was taken. The question was simply put to the committee whether my bill should pass or not, and the vote was taken simply on that question. In view of the small number by which that vote was carried I ask the house to refer the matter back to the committee, not only for further consideration along the lines I have stated, but also in order that witnesses should be called. The matter is so vitally important that the fishermen concerned, men who are employed in gill net fishing in the Fraser river, should be called from the Pacific coast to put before the committee the actual facts of the case. Although I did the best I could I still believe that had those men been allowed to come before the committee they would perhaps have made a greater impression than I did.

Briefly I wish to review some of the statements that were made by the deputy minister, as many of his statements before the committee were misleading. I am not saying they were deliberately so, but in my opinion they were put forward in such a way as to becloud the issue and so left a wrong impression with the committee.

In clause 2 he stated that fifty per cent of the seine boats were owned by the canneries. I dispute that statement very strongly. It may be true that only fifty per cent are owned outright by the canneries, but the committee were not informed by the deputy minister that another forty per cent are partly owned by them. At a mass meeting in the city of New Westminster at which the deputy minister and the district supervisor were present neither of them thought fit to refute the statement made by the fishermen there that ninety per cent of the seine boats were owned or controlled by the canners; they were either afraid or they knew better.

Then in clause 4 of paragraph 2 he states that the United States got most of the fish. That aspect was not gone into very fully, but if anyone cares to look at the record he will find that there were years when we on the Canadian side of the line put up more fish than the Americans.

Then the deputy minister in making his statement to the committee quoted the pack of fish, not the amount of fish caught. We on the Canadian side are catching more fish than are caught on the American side, and have so done for years, but what happens? The cannery men, who are endeavouring to control the whole industry, tell the fishermen how many fish they will take, and other fish by the thousands are often thrown overboard and so destroyed. That waste has taken place for many years. If all the fish caught in the Fraser river and the gulf of Georgia were canned the pack on the Canadian side would be as great as if not greater than that put up by the Americans. The American canners can all the fish caught on their side of the line, but that is not the case on the Canadian side. So it was very unfair for the deputy minister to state to the committee that the pack on this side is lower than on the American side, giving the committee the impression that the Americans were catching greater numbers of fish than we on this side.

Then he stated that there is no demand for second quality. One has only to go down to some of the stores in Ottawa and see second quality fish being sold. And what does the storekeeper tell you if you ask for a can of that fish? He says: I cannot get enough of this second quality to supply my customers. Yet the deputy minister says there is no demand for the second quality pack. I ask any hon. member of the house to go to any store

in which is exhibited the second quality pack, together of course with the first quality pack; I venture to say he will be told the same thing I was told right here in the city of Ottawa.

The deputy minister also states that no purse seining has been allowed for early sockeye salmon. That may be so, but this year the canners came out in their true colours; they were advocating that the whole area at the mouth of the Fraser river be thrown open at all times for purse seining. Then the deputy minister states that up to 1916 there was no sockeye fishing allowed after August 21. He omitted to tell the committee, however, that for years before 1914 the date was October 1. Then he tried to interject the statement that the British dealers reserved their best labels for Canadian goods in years past. Did he tell the committee that some of the British buyers are taking the second quality fish and actually asking for a rebate to take off the first quality lids? During the past year there has been a great demand in the old country for second quality fish, because by simply flipping off the second quality lids those fish can be sold in Great Britain as No. 1 quality.

If I had more time I could place a number of these definite facts before the committee. The deputy minister stated that when the Fraser river emptied into the gulf it flowed north. At its mouth that river is almost two miles wide; it flows approximately five miles an hour, and it flows south, not north. He did not place anything before the committee in support of that statement. I make the unqualified assertion that the Fraser flows south towards the international boundary line. Anyone who crosses from Vancouver to Victoria can see the line of demarcation away towards the gulf islands; the waters of the Fraser are brown and muddy, in contrast to the clear salt water. He also said it had been decided to limit purse seining to a small area. That was not an exact statement of the fact, because the area embraces practically the whole surface covered by the waters which flow from the Fraser river. One of the most terrible statements made, if I may use that term, was that the area which I am asking to have cleared of seines was not frequented by gill net fishermen. When I was home during the recess I took occasion to call the fishermen together and place before them all statements made. I could produce at least a dozen affidavits that gill net fishermen have operated in the area under dispute for the last thirty or thirty-five years.

The deputy minister spoke of the inspection board. That board stated, I suppose after being asked by the department whether they could tell by inspecting fish whether they had been caught by purse seines or by gill netters, that they could not tell by inspection. What did the deputy minister tell the committee, however? He said they had asked the canners. What is the use of arguing any further about this when, as I say, the canners own or control ninety per cent of the seine boats? What is the use of asking the cannery men whether the fish condemned had been caught by seines or gill nets? I suppose it is only human nature for them to say that the condemned fish were caught by gill nets, because naturally they are all for the seines and against the gill nets. But the inspection board, that board of brokers appointed to inspect the fish they are buying, say they cannot tell. A delegation of fishermen went to the canners two months ago and asked the canners if they could tell whether the fish were caught by gill nets or seines. They told the fishermen they could not tell, and it seems very strange that those statements should be made to the deputy minister. The inspection board seems to be all right when its opinions agree with those of the department, but when the board is against what the department has been advocating, then the opinion of the board is ignored.

I claim that the area under dispute is brackish water. The water of the Fraser flows into the gulf for many miles, but that point was not elaborated very much by the department. They simply ignored the fact that I had claimed that it was brackish water. That is one reason why I think the fisheries committee should have gone into this matter more thoroughly. Witnesses should have been brought from the coast; the cannery men should have been invited also; proper tidal maps should have been produced by the deputy minister to support his contention that after the Fraser entered the estuary of the gulf it flowed north and that the area under dispute was not brackish water. So many misleading statements have been made that I have not time to go into all of them; I can only touch a few, to which I should like to direct the attention of the house. But may I say that while there have been many arguments advanced with regard to the quality of fish and the method of catching them, very little if any argument has been advanced by the department in regard to the time of year when the fish are caught, which is an all important question as far as quality is concerned. What did the department do last year? This is very interesting. At a public meeting it was stated on behalf of the department that the Fraser river had been closed because sixty per cent of the fish were too poor in quality to be

canned, but two weeks later they opened up the river for fishing. This question has been asked and never answered properly: If the fish were not fit to be canned on September 12 last why, after closing the river for two weeks, was it decided that the fish were all right, as was shown by the fact that the river was opened for fishing again? As a matter of fact when the river was reopened two weeks later the cannery men, naturally enough, were afraid to can the fish caught, with the result that the fishermen took them across the line and received more for their fish than they would have received if they had been accepted by the Canadian cannery men.

Then it was stated by the department that the fishermen were not injured by reason of the fact that seines were allowed in this area, and it was stated further that in 1934 the fishermen received more money than they had received in the previous year. They overlooked the fact that there were actually more fishermen in that area than the number given out by the department. The department simply took number of licences issued in that area, divided them by the sum total of the price received and said, "There you are; each individual received so much. We have taken the number of licences and divided that into the total amount, and therefore the fishermen got more." I ask: Is that evidence? I say it is not evidence and we could prove the contrary; had the fishermen been given an opportunity to appear before the committee it could have been amply proven that hundreds of fishermen came from other areas into that area. The fact has been overlooked, also, that while it is true some individual fishermen obtained larger catches, they might have obtained such catches and more because some individual boats were in operation twenty-four hours of the day.

In 1922 a commission was sent out to British Columbia to investigate the fishing industry, and the report adopted by this house stated that no seines should be allowed where gill nets could operate. Well, gill nets have been operating in that area for fifty years. It is strange that from 1922 nothing was done until 1933, at which time it was suddenly opened up. Why? That was done because other areas had been fished out and the cannery men were demanding more places for their boats; they have a certain amount of money invested in those boats. It is their idea to keep their boats operating for as long a period as possible and be in a position to move them from one district to another.

I state in all seriousness my belief that the fishing industry as a whole has suffered greatly because we have had no minister of fisheries. I make that observation advisedly and in all kindliness to the present acting minister. The present arrangement does not give the present acting minister or any person who may hold that office the proper incentive to go ahead and to look into all aspects of the field with a view to conducting the Department of Fisheries as it should be conducted. I claim that no matter how efficient may be the department in this city of Ottawa, the men on the Pacific coast and the fishermen engaged in the trade know more about the fishing industry than do the officials in the department. With the statement that we should have had a minister of fisheries I would couple the observation that the fishing industry is one of the most important. In 1929 the total trade in the fishing industry was valued at $53,000,000. In the fishing operations 65,391 men were employed and on shore 13,927 found employment, making a total of 79,318 persons. An industry showing that volume of trade and this large number of persons engaged in it might well have had a minister of fisheries who could have devoted the greater part of his time to the industry.

This is an instance of vested interests operating against the individual fishermen. When the price spreads commission was investigating conditions in the Atlantic coast fisheries I should like to have seen them investigate and take evidence from the Pacific coast. Had they done so I believe conditions revealed on the Pacific coast would have been far worse than those on the Atlantic seaboard. I believe the fishing industry on the Pacific coast is being mainly controlled by certain large interests in the east. It is a well known fact, I believe, that the Gundy interests control some fishing companies out there.

Then we hear talk about prices. It is very strange that although United States cannery men pay far more for their fish they can sell it much cheaper to the United States consumer than does the Canadian cannery man to the Canadian consumer. I hold in my hands two tins of salmon of the same variety, one a Canadian can and the other an American. I bought these cans of salmon because I thought it worth while to bring the evidence with me; there is nothing like producing the goods. Although the United States fishermen receive more money than the Canadian fishermen for the same variety of fish, the American consumer can buy a one pound tin of fish far cheaper than can the Canadian consumer. I say the vested interests in Canada are soaking it to the Canadian consumer. What do we find so far as No. 1 sockeye is concerned? In Canada the consumer is charged 35 cents

a tin while in the United States he is charged only 21 cents for the same variety. No wonder I have suggested that the price spreads commission should have considered this matter. No wonder I say that commission should have gone to British Columbia and investigated what is really happening out there.

Endeavouring to eliminate any observations I made in a previous speech, I shall proceed to state as briefly as possible the meaning of the measure before us. This appeal of mine is on the principle of the greatest good to the greatest number. Surely in these days, when we are wondering what we will do with modern machinery, when we are wondering what we will do with our idle men, when we have a bill which will save an industry and would bring about a condition whereby twice or three times as many men would be employed—surely under these circumstances it is very strange to have it fall on deaf ears. The fame of Fraser river fishing has been built up during the past fifty years by individual gill netting. We see now that vested interests are making a demand to be allowed to go into the estuary of the Fraser river and to scoop out the fish by the thousands. If this is permitted not only will 2,000 men be driven off, and deprived of their livelihood but the great fishing industry of the Fraser river will be destroyed. I claim it is a serious matter, and that is why I make my appeal to the house. I am appealing to hon. members to allow this measure to go to the committee, or to send it back, so as to have witnesses from the coast. Ah, yes; witnesses from the fishermen would not be allowed to come here, but we find that the vested interests can always afford to send their representatives to speak to the deputy, and to state what they want. We know that in the last few days one of them has been very busy wiring back to the Pacific coast, and saying: "For heaven's sake, appeal to the members of parliament to kill Reid's bill." Is it any wonder I raise my voice on behalf of the fishermen? Surely they need some one to plead their case. I make a final appeal to this chamber to at least send this matter back to the committee; let the witnesses and all records be brought forward so that the statements made by the department will be more fully gone into.

Mr. A. E. MUNN (Vancouver North): Mr. Speaker, I do not intend to discuss the bill in detail, because the hon. member for New Westminster (Mr. Reid) has covered the ground thoroughly. First may I compliment the hon. member upon his gallant fight for the fishermen. I know that he has no personal gain in mind, he is simply fighting for the individual and against the vested interests. He is thoroughly familiar with the situation in his constituency, and undoubtedly knows more about conditions at that point than I do.

I happened to be a member of the committee, and as such I was greatly disappointed to note that the committee chose to reject the bill. It is only in recent years that conditions in the territory in question have been different. I say the hon. member is not asking for too much, and I would voice my plea to have the matter returned to the committee. Let us in some way obtain evidence from the men affected, because we know there are thousands of them. I would plead with hon. members to take a fair minded view and, if necessary, to forget politics. I think we should endeavour to help a man who needs assistance and hon. members should consent to the request of the hon. member for New Westminster that this bill be sent back to the committee.

Mr. W. G. ERNST (Queens-Lunenburg): Mr. Speaker, as chairman of the committee which considered this bill I feel I ought to say a word or two by way of explanation. This bill seeks to eliminate purse seining in the waters not of the mouth of the Fraser river but adjacent to the mouth. The bill was referred to the standing committee on fisheries early in the session. A statement has been made, particularly by the last speaker (Mr. Munn), which would intimate to hon. members that fair consideration was not given to the bill by the committee. The hon. member for New Westminster (Mr. Reid) appeared before the committee with charts and maps to explain his bill and was as well posted with respect to it as he has been to-night. The deputy minister of fisheries then explained the attitude of the department and the reason which prompted them to allow purse seining. The statement of the deputy minister was subsequently put into writing and circulated to every member of the committee. It was sent to the Pacfic coast and every interest affected was given an opportunity to make a reply. The fishermen's union made a reply through the hon. member for New Westminster, largely in the terms in which he has addressed the house to-night. With the exception of the particular fishermen's union represented by the hon. member, all the replies were opposed to the bill. The hon. member again appeared before the committee to answer as best he could the arguments of the deputy minister. After fair consideration, quite apart from politics, a vote was taken

and the bill was defeated. I fail to see where either vested interests or politics enter into the matter. There has been an imputation against what I might call the good name of the deputy minister. During the five years I have been chairman of this committee I have had the privilege of working with that gentleman; I knew him before that time and I believe that every hon. member who has come in contact with him knows that he is sincere and honest in his endeavours to help the industry.

One or two words as to the merits of the bill. There are two sharply conflicting opinions with regard to this matter. One opinion favours unlimited purse seining, while the other favours the elimination of this type of fishing. The department has tried to steer a course between these two opinions. Purse seining is now permitted only during the late months of the year when the late sockeye and pinks are running; it is not permitted during the other seasons and at all times it is under strict regulation. The argument put forward by the department in favour of purse seining during this limited period is that it produces a better quality of fish for canning than does the gill net method. The purse seine takes the fish before they enter the river, before they reach any brackish water and before discolouration or loss of colour takes place. The statistics furnished by the deputy minister show conclusively that since purse seining was inaugurated in these waters the pack in that particular area has been far superior to the pack in previous years when the fish were taken by the gill net fishermen after they had entered the river. It must be remembered that the purse seiner takes the fish while they are still in the open water, while the gill netter takes the fish after they have entered the river. As I say, the statistics show that since purse seining has come into effect in that area the catch has been immeasurably improved so far as canning quality and marketability is concerned. The statistics showed also that despite purse seining the gill net fishermen were taking more fish than they had been taking previously. There is nothing more to be added; that is the whole crux of the matter. As to the change of attitude of the department, the deputy minister explained that compulsory inspection of canned salmon was first started in 1933 and that limited purse seining became complementary to the compulsory inspection in order to provide a suitable product for our markets.

Mr. STEWART (Edmonton): Did purse seining commence only in 1933?

[Mr. Ernst.]

Mr. ERNST: In that area. I am not speaking from first hand knowledge; I speak only from the evidence given by the deputy minister.

Mr. STEWART (Edmonton): But it started only in 1933?

Mr. ERNST: In that area. Purse seining is carried on in other localities along the coast, but it has been carried on in that area only since the compulsory inspection was put into effect.

Mr. ANGUS MacINNIS (Vancouver South): Mr. Speaker, I have just a word or two to say in connection with one or two points in this bill. In answer to the question asked by the hon. member for West Edmonton (Mr. Stewart) I would say that purse seining did not go into effect in this area until 1933. This was not commenced because of the inspection; the department had wanted to put inspection into effect long before but the canners would not agree. Other areas had been fished out with purse seines and the canners wanted to get into this particular area which previously had been limited to gill netters. If purse seiners are to be allowed to continue to fish this area it will mean the depletion of the area to a point where it can be replenished only by long closed periods. As the hon. member who introduced the bill (Mr. Reid) has said, this is a struggle between large scale fishing and what is generally termed hand fishing. If the results obtained by the machine fishing went to the men in the community I would not have any objection, nor do I think anyone could object; but as the situation now is, the results all go to the canners. Some of the large shareholders of these canneries are not even residents of this country. During the last week or two we have been endeavouring to create employment and we certainly will not create employment by allowing the greater use of purse seines. I think the house should refer this bill back to the committee or pass it without reference back and give the men in the gill net fishing industry an opportunity to continue to earn their livelihood.

Hon. CHARLES STEWART (West Edmonton): Mr. Speaker, this is a matter in which I took a great deal of interest in the early twenties, when I first came to Ottawa. I am surprised to learn that seine fishing has been allowed in the mouth of the Fraser river.

Mr. ERNST: Not in the mouth.

Mr. STEWART (Edmonton): Practically in the mouth of the Fraser river, according to what I am told.

An hon. MEMBER: It is not in the mouth.

Mr. STEWART (Edmonton): Just outside the mouth. At least it is in the area that was formerly prohibited, and that is the point at issue. Since 1933 the policy of the department in this respect has changed, and changed for the very obvious reason that the canners were not able to catch in the waters where they formerly fished. My hon. friend shakes his head, but I had a good deal to do with the controversy in the west when that decision was arrived at, and my hon. friend can be sure that if seine fishing is allowed there for any length of time it will put the gill net fishermen out of business. If that is the object to be attained, you will succeed admirably. My hon. friend says there is no politics in this, and I am not approaching it from the political standpoint at all; I am approaching it from the standpoint, at this time particularly if at no other, that seine fishing should be prohibited in order to provide employment for a greater number of men. My hon. friend has practically the same conditions down in the east, although I am not so familiar with conditions there. But if a certain amount of fish can be consumed it stands to reason that the greater the number of men employed in catching them the more employment there will be, and so far as I am concerned if this bill comes to a vote I am going to support it for that very reason, and despite the fact that the committee voted against it.

Hon. GROTE STIRLING (Acting Minister of Fisheries): Mr. Speaker, I have very little to add to what has been already said with regard to this bill. It appears to me that there can be no finality in dealing with legislation if a bill is to go through the ordinary course of first and second readings, be considered by a committee as closely as this matter was considered, then rediscussed here with the same statements repeated on both sides, and perhaps be sent back to the committee. It is a controversial matter, as I was careful to point out at the commencement of my remarks on the second reading, but it is a matter to which the department has given a very great deal of attention.

My hon. friend from West Edmonton (Mr. Stewart), at the last moment, shall I say, introduces his suggestion that perhaps seining has been permitted in this small area for the purpose of ultimately driving out the gill net fishermen.

Mr. STEWART (Edmonton): That is what will happen.

Mr. STIRLING: A more extraordinary misconception, if the hon. member has listened to any of the statements which have been made heretofore, I can hardly conceive. Let me in a very few sentences simply put the case.

The late run fish come through the straits of Juan de Fuca, hugging the Washington shore. There they are taken in the cold, clear, salt water in enormous numbers for the purposes of the Washington canneries. When they get close up to the dividing line between the United States and Canada, which is not many miles from the area into which the Fraser river pours into the gulf of Georgia, they can first be taken by Canadian fishermen. They mill around in that triangle of water, beyond the brackish discoloured water of the Fraser, and in that water they can be taken, but they cannot be taken in that water by the gill netters. When I say they cannot be taken there I mean that the gill netters principally do their fishing in the discoloured brackish water off the mouth of the Fraser, but as soon as the fishermen get into this cold, clear water where their nets are easily visible they do not succeed in taking fish, and they go back again to the brackish water. Therefore if these fish, where it is first possible to take them in Canadian waters, are not taken by gear that will take them they will not be taken by Canadians, and the amount of trade in canned salmon which Canada can do in world markets will not be as great as it otherwise would be.

My hon. friend the sponsor of the bill (Mr. Reid) has repeated here this evening a good many of the statements which he has made on two previous occasions. He has expressed considerable disagreement with the statements of the deputy minister. I should certainly have thought that the place to make known those disagreements was in the deputy minister's presence on the occasion when this matter was so fully discussed by the committee.

Mr. MUNN: He did so.

Mr. STIRLING: And the answers were given. To-night he desires to reiterate them, and surely there is no reason why he should not. But the house should not take it that those statements have in any way impressed the officials of the department because that is not the view held by the department. In this matter the only proper course for the department to take is to try to hold the balances even after a consideration of all the facts, and that is the desire of the department. Changes have come over the fishing

industry in the last few years. The late run of fish has been increasing at a very considerable rate. The run of trade in the world's market has been increasing; there has been an opportunity for the sale of more first class canned fish, and the desire of the department is to assist the taking of those fish which can properly be canned so long as it can be done without detriment to any interest. That is the view of the department.

Mr. JEAN-FRANÇOIS POULIOT (Témiscouata): Mr. Speaker, there is one reason why I cannot understand any opposition to this bill. It is because in some sections of the country seine fishing for salmon has been prohibited. That is so in the province of Quebec, and I do not see why it should be allowed in the province of British Columbia. No one wishes to enter into a controversy as to the merits or demerits of the deputy minister of fisheries. Personally I have never had anything to do with him; I do not know him and I am not going to pass judgment upon him. But what every member of the house can do, sir, is to pay a tribute to the member for New Westminster (Mr. Reid), who is sponsoring this bill, as one of the most assiduous members of the house, familiar with the problems of his own province, and a member who has at heart the interests of the people he represents in this house as well as the interests of the country at large. Therefore no one can be mistaken in following the course suggested by the hon. member, and that is the second reason why I shall vote for the bill.

Mr. REID: I have just one word to say in reply, Mr. Speaker—

Mr. SPEAKER: The hon. gentleman has not the right of reply.

Motion negatived on division.

WAYS AND MEANS

CUSTOMS TARIFF AMENDMENT

The house in committee of ways and means, Mr. Morand in the chair.

Mr. RHODES: The items under customs tariff have all been passed except resolution No. 1, which stood prior to the dinner hour.

Mr. SANDERSON: I should like to refer to item 45le, slide or hookless fasteners. This afternoon the minister was good enough to say that he would get certain information with regard to the manufacture of these zippers. He told us about the location of the plants and said he would endeavour to bring down information as to the number of hands employed, their wage bill for the year, and so on. Will he also endeavour to find out whether these three plants are under one control and working under one patent?

Mr. RHODES: I shall be very pleased to get all the information which is available. If it is the wish of the committee to pass these resolutions before the information is brought down, I undertake that it will be brought down on second reading of the bill. Now, as regards resolution No. 1, there was a suggested amendment which was not pressed. I intimated to the committee my desire to confer with the Department of External Affairs and I may say now that I do not wish to press the amendment. I would therefore ask that the resolution be allowed to pass in its present form.

Resolution agreed to.

INCOME WAR TAX ACT AMENDMENT

Resolved, that it is expedient to amend the Income War Tax Act and to provide,—

1. That

(a) "earned income" be defined to include salaries, wages, and other personal earnings, including income derived from the carrying on of a trade (as a sole proprietor or in partnership), vocation or calling; provided, however, that the total amount of the "earned income" derived from any source, or combination of sources, shall in no case exceed $14,000 per annum;

(b) "investment income" shall mean any income not defined as "earned income."

2. That rates of surtax be imposed on all persons, other than joint stock companies, in respect of investment income as follows:—

Included in any income exceeding	$ 5,000	but not exceeding	$ 10,000	— 2%
Included in any income exceeding	10,000	but not exceeding	14,000	— 3%
On income exceeding	14,000	but not exceeding	20,000	— 3%
On income exceeding	20,000	but not exceeding	30,000	— 4%
On income exceeding	30,000	but not exceeding	50,000	— 5%
On income exceeding	50,000	but not exceeding	75,000	— 6%
On income exceeding	75,000	but not exceeding	100,000	— 7%
On income exceeding	100,000	but not exceeding	150,000	— 8%
On income exceeding	150,000	but not exceeding	200,000	— 9%
On income exceeding	200,000			—10%

3. That the following income shall not be liable to surtax, either

(a) all income up to five thousand dollars; or

(b) "earned income" up to but not exceeding fourteen thousand dollars; or

(c) income equal in amount to the sum of the exemption and allowances for dependents to which a person is actually entitled under the said act; whichever is the highest.

4. That

(a) in determining "earned income" the amount of any salary or bonus shall be subject to adjustment commensurate with the services rendered and any amounts in excess of such adjustment shall be regarded as "investment income";

(b) where an expense is common to both "earned" and "investment" income the expense shall be apportioned.

5. That the corporation rate of tax be increased from 12½ per cent to 13⅓ per cent.

6. That consolidated returns be not permitted except in cases where a subsidiary company is wholly owned by another company (directors' qualifying shares excepted); is in the same general class of business; the fiscal periods of the companies are co-incident; and both companies are operating in Canada, and under such other regulations as may be prescribed. When consolidation is permitted the corporation rate of tax on such returns shall be increased from 13⅓ per cent to 15 per cent.

7. That dividends received by shareholders be taxed by an allowance for depletion of 20 per cent in lieu of the present allowance.

Mr. FRASER: (Cariboo): With regard to the gold tax, is there not a duplication of taxation under this section? The tax was paid last year and it would seem that the income is being taxed again this year.

Mr. RHODES: There is an overlapping to this extent, that the original bill as brought down last year expired on May 31 this year and the income tax is applicable, under the provisions of the budget resolutions, as of the end of the fiscal year or the first of April this year. There is therefore an overlapping in part with respect to the months of April and May, but to that extent only.

Mr. FRASER (Cariboo): This increased tax covers 1934 as well as 1935. To that extent is it not a further duplication? The gold producers have already paid the tax and you are going back and making this increased tax apply to 1934 income. At any rate, that is my interpretation of this provision.

Mr. RHODES: There is no increase in the tax. The provisions have reference to the depletion allowance, and the depletion allowance has reference only to the fiscal year 1935; it is not retroactive to cover last year in so far as the gold companies are concerned.

Mr. RALSTON: Does the minister contemplate under the bill any amendment to this item or the item in connection with corporation taxes, so as to remove the duplication referred to by the hon. member?

Mr. RHODES: I have none in mind at the moment with respect to either the corporation tax or gold. There is one amendment which may be introduced in the committee stage of the bill with respect to the gift tax, but not with respect to the corporation tax or gold.

Mr. RALSTON: It has been pointed out that there is a substantial increase in taxation so far as gold mines are concerned. There is a decrease in the depletion allowance. The depletion allowance was fifty per cent and is now thirty-three and one-third per cent. There is now an increase in the corporation income tax rate and the net result, as calculated by those who are interested, is a forty-four per cent increase in taxation on the net operating income of mines subject to the bullion tax. In addition to that, the bullion tax remains on for the first five months of 1935. That is, the new increased taxes are put on and at the same time the old bullion tax remains for five months of 1935. I presume the minister has had representations in regard to this matter and has made a definite decision, but it does seem rather unfair and not what was contemplated when he brought down his budget statement. It was not contemplated that there should be a definite increase and double taxation in connection with these mines when the general impression was that there would be a decrease in view of the fact that the bullion tax was being removed.

Mr. RHODES: If there is any injustice that ought properly to be remedied, I prefer to deal with it in committee stage on the bill. I have not been in close touch with my office for the last few weeks, but on the whole, while there may be exceptions, the present set-up of the gold tax is acceptable. It may be that in respect of one or two companies it varies inequitably, and if on inquiry it appears that this is so, I shall be glad to deal with the matter on the recond reading of the bill.

Mr. FRASER (Cariboo): I suggest to the minister that he give careful attention also to the question I have raised because I have information from a gold mining company that this is double taxation without any question about it, and I hope the minister will take care to see that it is not made applicable as a double tax. The contention is that the shareholder is now taxed notwithstanding that he has already paid the bullion tax. You make that retroactive.

Mr. RHODES: May I point out that the principle of the double tax obtains in our present taxation structure and has obtained for many years. Personally I have no hesitation in saying that there is a very serious objection to that, but it exists in our whole income tax structure. We have a situation where a company has paid its full income tax, yet when that income, which has borne a heavy tax, comes into the hand of the individual shareholder he in turn is called upon to pay an income tax on it. I would hope that in better circumstances and happier times we shall be able to depart from that practice. But right or wrong it is there and has been for many years.

Mr. FRASER (Cariboo): But the objection I am pointing out is that you are now coming back with this taxation and making it retroactive on the shareholder who has already paid the bullion tax.

Resolution agreed to.

8. That depletion allowance to be allowed to mining companies, the principal product of which is gold and silver, shall be 33⅓ per cent in lieu of the present allowance.

Mr. RALSTON: Will the minister permit me to say a word more, so that he may have this representation for consideration when the bill comes to be taken up? As I understand it, the situation is this, that by reason of the fact that the depletion allowance is reduced from fifty per cent to thirty-three and a third per cent and the corporation tax increased, there is a net increase of forty-four per cent in taxation. In addition, while that increase in taxation goes back to the 1934 period, the bullion tax is still on for the first five months of 1935, therefore there is not only a forty-four per cent increase in the corporation income tax, but there is also the bullion tax being paid at the same time.

Mr. RHODES: I shall be very glad to inquire into that angle of the proposals at the same time.

Resolution agreed to.

9. That a tax of five per centum be imposed at the source on all royalties payable by Canadian debtors in respect of books, music and articles in magazines, to non-residents of Canada. The 12½ per cent deduction to be abolished in respect of the foregoing.

Resolution agreed to.

10. That a tax be imposed upon gifts inter vivos at the following rates, unless the income from such gift continues to be taxed against the donor, as provided for in the act;

Up to and including	$ 25,000			— 2%
Exceeding	25,000	but not exceeding	$ 50,000	— 3%
Exceeding	50,000	but not exceeding	100,000	— 4%
Exceeding	100,000	but not exceeding	200,000	— 5%
Exceeding	200,000	but not exceeding	300,000	— 6%
Exceeding	300,000	but not exceeding	400,000	— 7%
Exceeding	400,000	but not exceeding	500,000	— 8%
Exceeding	500,000	but not exceeding	1,000,000	— 9%
Exceeding	1,000,000			—10%

Provided that the rate be not applicable to gifts in the aggregate of $1,000 or less in any one year.

Resolution agreed to.

11. That amounts charged by any company or organization outside of Canada to Canadian companies in respect of management fees, services, use of patents, processes or formulae used in Canada, shall not be allowed as a deduction if the non-resident controls the Canadian company through the holding of shares, by affiliation with other companies, by agreement, or in any other manner.

Resolution agreed to.

12. That in respect of any taxpayer claiming reciprocal relief for taxes paid in Great Britain or any foreign country, such taxpayer shall not be allowed as against profits taxable in Canada the losses sustained in any such country.

Resolution agreed to.

13. That the amount received from income bonds or debentures shall be deemed to be a dividend for the purposes of the act and shall not be a deduction before determining the taxable income of the corporation paying any amount in respect of such income bonds or debentures.

Mr. RALSTON: I was in touch with the officials of the department, and I think there is under consideration some amendment in order to provide for income bonds issued as a result of reorganization.

Mr. RHODES: Yes, in the bill itself as already drafted there is an amendment which will take care of the situation. It will be apparent when I introduce the bill, and I assure my hon. friend it will be dealt with at that time.

Resolution agreed to.

14. That any enactment founded on the foregoing resolutions shall be deemed to have come

into force at the commencement of the 1934 taxation period and to be applicable thereto and to fiscal periods ending therein and to all subsequent periods, with the following exceptions:—

(a) As to any mining company, the principal product of which is gold, which has contributed to the tax on the premium value of gold as enacted by part XV of the Special War Revenue Act, any enactment founded on resolution No. 8 shall be deemed to have come into force at the commencement of the 1935 taxation period and to be applicable thereto and to fiscal periods ending therein and to all subsequent periods.

(b) That any enactment founded on resolution No. 10 shall be deemed to have come into force at the commencement of the 1935 taxation period and shall be applicable thereto and to subsequent periods.

Mr. RALSTON: The same remark I made in regard to No. 8 applies to this.

Mr. RHODES: Yes.

Mr. RALSTON: I want to say a word in regard to No. 14. I have stood in my place so often and protested against retroactive legislation that I have begun to think it is perhaps of no use to do so. But I am sure the minister in his heart of hearts will agree —I think he has agreed—that in principle retroactive legislation is unsound. He said that taxation proposals have been made retroactive in the past, but he knows that those proposals generally had to do with reductions and not with increases. I submit in all seriousness and earnestness, not only on account of corporations but on account of individuals and income tax payers who are affected by lessened exemptions, that it is a bad principle, after a man has made his income tax return, after he has made his commitments for the year thinking he knew what the income tax was—and the same applies to corporations—that the government should come in and say that an additional impost shall be levied in respect of that year's income. It is wrong in principle; it is almost a violation of contract, because surely people are entitled to believe that the laws on the statute books applicable to a given period will be observed when the tax collector comes around. But that is not so if we act in accordance with resolution 14, by making these provisions retroactive. I protest with all the earnestness I can against that sort of legislation.

Mr. RHODES: In reply to my hon. friend let me say at once with absolute frankness that I agree in principle with the general tenor of his whole remarks. I have already made a similar statement on other occasions. It is a real hardship to the individual and I believe in principle it works an injustice. I regret to have to be associated with continuing what I believe to be an injustice. But there is an old saying that I think is particularly applicable in the case of a minister of finance dealing with a situation under difficult circumstances, that "he must need go that the devil drives." Nothing but the sheer necessities of the case would warrant my being a party to proposals of this character. I do hope that we are not far removed from the day when we shall get away from it entirely.

Mr. RALSTON: I may make a representation to the minister when the bill comes up with regard to one flagrant case, where even the retroactive feature is applied inequitably. Some companies do not have their fiscal year correspond to the calendar year. The result is that retroactive feature applies to what they call the 1934 period, which in the case of some companies may have ended in March, 1934. The effect therefore of that retroactive section is that the whole increase in taxation goes back a year, or from March, 1934, to March, 1933. In other words, nine months of the 1933 business is being taxed at the new rate, simply because of the fact that the resolution and the bill founded on it will go back to the 1934 period. I suggest to the minister that at least the retroactive feature does not go back beyond January 1, 1934. Even with that I submit that we are entirely violating the principle which he himself admits, and of which I submit no necessity justifies a breach.

Resolution agreed to.

SPECIAL WAR REVENUE ACT AMENDMENT

Resolved, that it is expedient to amend the Special War Revenue Act and to provide:—

1. That schedule I to the said act, as amended by section twenty-six of chapter fifty of the statutes of 1932-33 be amended by adding thereto the following words:—

"Devices commonly or commercially known as lighters, which produce sparks, flame or heat, n.o.p., 20 per cent.

Such devices when combined with pencils, cigarette or other cases, on the combined value, 10 per cent."

Mr. RHODES: I have an amendment to move to the effect that the minimum tax upon an individual lighter shall be ten cents. There has been some discussion with respect to this tax. I wish to say to the committee, and I hope that they will accept my statement as an exact statement of fact, that this tax was initiated by myself, and the sole idea in initiating it was to protect the revenue. They have a similar tax in Great Britain; they have one in France. The reason is obvious to those who make inquiry; a sub-

stantial source of revenue in this and other countries has been the tax upon matches. The yield from that tax has been diminished to a very large extent by the use of the lighter, which bears no tax. To give you an idea of what it means in the way of taxation, in England the minimum tax on a lighter is a shilling. Here I am suggesting it should be only ten cents; I think I am overmodest. In France the minimum tax is thirty-two cents and it goes up to $15.60 on an individual lighter. The revenue on matches last year dropped a quarter of a million dollars; it is in round figures $1,000,000 below what it was four years ago. The tax is introduced solely for the purpose of endeavouring to protect that revenue.

Mr. MACKENZIE (Vancouver): A tariff for revenue, not protection.

Mr. RHODES: To the extent that this tax discourages the use of lighters, to that extent it will increase the consumption of matches and restore to the treasury that measure of taxation. My amendment is:

Provided that in either case the tax hereby imposed shall not be less than ten cents in respect of each such device.

Resolution as amended agreed to.

2. That schedule III to the said act, as enacted by section eighteen of chapter forty-two of the statutes of 1934, be amended by adding to or inserting therein the following words: "grain or seed cleaning machines; pit props and packwood for use exclusively in mines; casein."

Mr. RHODES: I have an amendment to this resolution also, adding after the word "casein" the words "wood shavings and sawdust". It is designed to remove the sales tax from wood shavings and sawdust.

Mr. REID: Before the resolution carries I should like to make another appeal to the minister with regard to the sales tax on peat moss. I realize that it would be hardly possible to impose a sales tax against which some section of the country would not complain, but my information is that this tax was placed on peat moss due to the fact that some firm in Alberta was using peat to make insulating board which entered into competition with other insulating materials already on the market, and it was thought only reasonable and fair, since there was a sales tax on insulating material, that peat made into insulating boards should be taxed as well. In British Columbia, however, peat is not used for that purpose. In that province peat moss is used by the poultrymen, and heaven knows that with the present low prices for eggs and high cost of feed the poultrymen cannot afford to pay any tax. It is used for litter in the chicken houses, and I appeal to the minister in all fairness to differentiate between peat moss used for the manufacture of insulating material and peat moss used for litter in chicken houses. The moss used as litter costs only about one-third as much as the moss used for insulating material, and it does not enter into competition with anything. I appeal to the minister on behalf of the poultrymen, and of course on behalf of the company putting up this material.

[Mr. Rhodes.]

Mr. RHODES: At the moment I have not the data before me which would enable me to give my hon. friend a comprehensive answer but I will look into the matter, and if it is one upon which action can be taken I shall be glad to deal with it when we are in committee on the bill. In any case I shall be able to advise my hon. friend more fully at that time.

Mr. ILSLEY: I should like to ask the minister why these cigarette lighters are put in schedule I of the Special War Revenue Act. I looked up schedule I to see what it contained, and the only other commodity dealt with in that schedule apears to be automobiles. I should think this would be an ordinary sales tax rather than an excise tax. Is there some reason for putting it in with automobiles?

Mr. RHODES: I am advised by my legal advisers that it is in its proper place as an excise tax. That is the only answer I can give my hon. friend, who of course is a much better lawyer than I am.

Mr. ILSLEY: I thank the hon. gentleman for the compliment but I have found a great deal of difficulty in going through the various amendments and amendments to amendments contained in the statutes. If I may be permitted to make the suggestion, I think there should be a consolidation of the war revenue act in the statutes, for facility of reference. It occurred to me that there is a vast number of commodities subject to the sales tax, and this appears to be just another such commodity.

Mr. RHODES: No, this is an excise tax.

Mr. ILSLEY: Could the minister explain the difference? I cannot make it out from the act.

Mr. RHODES: This is a special excise tax on a given commodity and it is placed in the class with all other excise taxes which are applied upon an ad valorem basis. The only answer I can give is that the legal advisers tell me it has been placed in its proper schedule. That is the best answer I can give.

Resolution as amended agreed to.

3. That schedule IV to the said act, as enacted by section twenty-nine of chapter fifty

of the statutes of 1932-33, be amended by adding thereto the following words:

"Articles manufactured or produced by the labour of the deaf and dumb in institutions in Canada established for their care, or under the control or direction of such institutions."

Mr. RALSTON: I want to ask the minister if he has given serious thought to putting these articles in the schedule which provides complete exemption. I think the minister is to be congratulated on granting at least the fifty per cent exemption, but I wonder if he has considered going the whole way. I believe the committee would be prepared to do so if the minister approved.

Mr. RHODES: I may say to my hon. friend that I gave this matter a very great deal of thought. Naturally one's compassions are moved in considering the question of the blind, the deaf and the dumb, but in the case of the blind I found that even the half remission works a hardship in the case of some industries which themselves are employers of blind people. Take the case of a blind man who manufactures a broom. The mere fact that he is blind and that he goes about trying to sell the broom gives him an advantage in approaching the householder, whose sympathies are at once moved by the circumstance that the man is blind. Even the half remission in some cases has worked hardship to industries which have been established in this country for many years. If we went the whole way I believe it would work an irreparable hardship. What I have said with respect to the blind is true with respect to the deaf, who by this amendment we are placing for the first time on precisely the same footing as the blind. I have discussed this question with those who are blind and others who are associated with the work of the blind, and I think I can say that all fair minded men of that class to whom I have spoken have agreed that in going the half way, we have gone as far as we reasonably can in justice to all our citizens.

Mr. ELLIOTT: Could the minister give us an idea of the percentage of the total production of the country to which this would apply?

Mr. RHODES: No, because there are no such separate statistics kept for sales tax purposes.

Mr. ELLIOTT: Following the suggestion of my hon. friend from Shelburne-Yarmouth (Mr. Ralston) it occurred to me that only a very small percentage of the production would be represented by competition of this kind.

Mr. RHODES: That would be quite true so far as income is concerned. Our hesitancy to remit the whole of the sales tax is not due to any consideration of revenue; it is due to the considerations which I have endeavoured to place before the committee, of weighing the scales fairly as between those established industries and the institutions for the blind which in many cases are in receipt of public funds and charitable subscriptions, in order to place them on something like an equality and not work an undue hardship upon industries which have no such assistance.

Resolution agreed to.

4. That schedule V to the said act, as enacted by section nineteen of chapter forty-two of the statutes of 1934, be amended by adding thereto the words "goods enumerated in customs tariff item 692."

Resolution agreed to.

5. That the said act be further amended by repealing subsection two of section eighty-seven thereof, as enacted by section twelve of chapter fifty-four of the statutes of 1931.

Mr. RALSTON: I have forgotten what section is being struck out.

Mr. RHODES: This has to do with the sales tax on samples. It removes the sales tax in the case of samples which are distributed gratuitously by manufacturers in Canada.

Resolution agreed to.

6. That the said act be further amended by repealing subsection two of section eighty-eight thereof, as enacted by section twelve of chapter fifty-four of the statutes of 1932, and subsection three of the said section eighty-eight, as enacted by section ten of chapter forty-two of the statutes of 1934 and substituting for the two said subsections the following subsection:

"2. The tax imposed by this section shall not apply to the articles enumerated in schedule V to this act nor to any goods imported into Canada which are entitled to entry under the British preferential tariff or under trade agreements between Canada and other British countries."

Resolution agreed to.

7. That any enactment founded on paragraphs one to six of this resolution shall come into force on the twenty-third day of March, one thousand nine hundred and thirty-five.

Resolution agreed to.

EXCISE ACT AMENDMENT

Resolved, that it is expedient to amend the Excise Act 1934, and to provide:

That section one of the schedule to the said act be amended by striking out the words "seven dollars" in the second line thereof and substituting therefor the words "four dollars," and to provide, further, that in the event of

any duty imposed under this act upon spirits, malt or beer having been reduced, if it is made to appear to the governor in council that in any province the prices of spirituous or malt liquors to the consumer have not been reduced to, or are not being maintained at, levels which will give the consumer the full benefit of any such reduction, the governor in council may order that such reduction shall be no longer in effect and, upon publication of such order in the Canada Gazette, the full rates of duty theretofore payable on such goods shall again be in force and effect.

That any enactment founded on this resolution shall come into force on the twenty-third day of March, one thousand nine hundred and thirty-five.

Mr. MACKENZIE (Vancouver): Can the minister give any information as to reductions in prices effected by provincial governments?

Mr. RHODES: Yes, I have a complete list from all the provinces, and I am in a position to say that by and large the complete reduction has been passed on, although there are places in some provinces where in connection with new brands or varieties it may not have been fully passed on. However I do not regard the incident as closed, because it is my intention to see that the spirit of the act is carried out and that in all cases the reduction is made effective. I intimated this afternoon that I thought the provinces themselves ought to contribute. I can assure my hon. friend however that in those instances where the provinces have not carried out the full spirit of the act, it will be our purpose to see that they do so.

Resolution agreed to.

Mr. RALSTON: When the minister has procured the information regarding the two items would it not be possible for him to table a statement somewhat longer, one which might require a little more preparation but containing information which no doubt he has at hand, namely the value of imports for the fiscal year ended March 31, 1935, in respect of items in the customs tariff on which reductions in tariff have been made under these resolutions.

Mr. RHODES: Yes, I shall endeavour to have that information.

Mr. POULIOT: Several times since the session resumed this month I asked the Secretary of State (Mr. Cahan) when the returns passed on April 3 in regard to increases and decreases in taxation since 1930 would be ready. This week the Secretary of State answered that it had been completed by the Department of National Revenue, but that it had to be revised by the Department of Finance and that it might be ready by the middle of next week. Would the minister tell me when the return will be tabled? It is nearly two months since it was ordered.

Mr. RHODES: This is the first time the matter has been brought to my attention, but I am advised that the return in question is quite voluminous. In any event I shall make inquiries and give my hon. friend a definite answer as soon as possible. As far as I am concerned the departments will make every effort to expedite the return.

Mr. POULIOT: I thank the minister, but I would direct the attention of the committee to the fact that as soon as I rose to ask the question the deputy minister left the chamber.

Mr. RHODES: The hon. member's statement of fact is correct, but the departure of the deputy minister had no bearing upon the hon. member's question. I had asked him to secure for me the bills I propose to introduce as soon as the resolutions have been reported. It was at my request he left the chamber, and I believe when my request was made even the preliminary part of my hon. friend's question had not been delivered. Therefore I suggest he must absolve the deputy minister and place the blame upon my shoulders.

Mr. POULIOT: As I am open minded I do not place the blame on the shoulders of anyone.

Resolutions reported, read the second time and concurred in.

INCOME WAR TAX ACT

Hon. E. N. RHODES (Minister of Finance) moved for leave to introduce Bill No. 80, to amend the Income War Tax Act.

Motion agreed to and bill read the first time.

SPECIAL WAR REVENUE ACT

Hon. E. N. RHODES (Minister of Finance) moved for leave to introduce Bill No. 81, to amend the Special War Revenue Act.

Motion agreed to and bill read the first time.

EXCISE ACT AMENDMENT

Hon. E. N. RHODES (Minister of Finance) moved for leave to introduce Bill No. 82, to amend the Excise Act, 1934.

Motion agreed to and bill read the first time.

CUSTOMS TARIFF AMENDMENT

Hon. E. N. RHODES (Minister of Finance) moved for leave to introduce Bill No. 83, to amend the Customs Tariff.

Motion agreed to and bill read the first time.

TARIFF BOARD REPORTS

Hon. E. N. RHODES (Minister of Finance): Mr. Speaker, I ask the consent of the house to revert to motions to enable me to table two reports from the tariff board, one with respect to biscuits, sweetened and unsweetened, and the other respecting hats and hoods, each of which has been the subject of amendments in committee on the customs tariff.

Hon. J. L. RALSTON (Shelburne-Yarmouth): Mr. Speaker, since the minister has gained permission to revert to motions to lay on the table reports from the tariff board, I should like to make a request. I am sure it would be of great interest to hon. members if it were possible to have printed at least the summary of these reports. As the minister knows, only three copies are made and one cannot examine them without reference to what has been laid on the table. I realize the preliminary portion of the report and the evidence would make a very lengthy document but I should like the minister to consider the possibility of having these summaries printed.

Mr. RHODES: I think the suggestion of my hon. friend is an admirable one. I agree with him that it is desirable that copies of these summaries should be available to hon. members. It would be an entirely useless expenditure to attempt to print the whole document, and much more so to print the evidence, but I feel that the summaries should be available in printed form and arrangements will be made, if not this session at least in the future, to have this done.

Mr. POULIOT: If the house will permit, may I make another suggestion to the minister. Would it not be possible for the government to inaugurate a system of bookkeeping whereby the revenues derived from the Income War Tax Act and the Special War Revenue Act would be applied only for the payment of the interest on the debt incurred during the war, to the payment of pensions to veterans and other war purposes? If that were done the country would be in a position to realize the difference in expenditures.

Mr. RHODES: I think my hon. friend would be well advised to make his suggestion at the opening of another parliament.

Mr. POULIOT: Then it would be accepted by my good friends.

Mr. RHODES: I can assure my hon. friend that if by any fortuitous circumstances I happen to be in the house and in a position to deal with his request, I shall do so sympathetically.

SUPPLY

DEPARTMENT OF AGRICULTURE

The house in committee of supply, Mr. Morand in the chair.

Natural Products Marketing Act, 1934, $545,500.

Mr. POULIOT: To what products does this act apply, in what provinces is it in force and from what dates?

Hon. ROBERT WEIR (Minister of Agriculture): I am afraid it would take some time to get the information in the form asked for by the hon. member.

Mr. MACKENZIE (Vancouver): How many boards are functioning in the various provinces, and with what do they deal?

Mr. WEIR (Melfort): Eleven.

Mr. MACKENZIE (Vancouver): How many in each province?

Mr. WEIR (Melfort): British Columbia, six; Ontario, two; British Columbia, Ontario, Nova Scotia, one; Prince Edward Island, New Brunswick and Nova Scotia, one; the Dominion of Canada, one.

Mr. MACKENZIE (Vancouver): In what provinces are there no boards functioning under the jurisdiction of the Natural Products Marketing Act?

Mr. WEIR (Melfort): Alberta, Saskatchewan and Manitoba.

Mr. MACKENZIE (Vancouver): Of the eleven boards functioning in Canada, six are in British Columbia?

Mr. WEIR (Melfort): Yes.

Mr. MACKENZIE (Vancouver): With what products are the six boards in British Columbia dealing, as well as the boards in the other provinces?

Mr. WEIR (Melfort): Fruit export marketing scheme, September 8, 1934, for the entire dominion. British Columbia red cedar shingle export scheme, October 16, 1934. British Columbia tree fruit scheme, August 28, 1934. British Columbia dried salt herring and dried salt salmon scheme, October 22, 1934. Ontario

flue cured tobacco scheme, October 26, 1934. British Columbia lower mainland milk marketing scheme, January 1, 1935. Eastern Canada potato marketing scheme, January 18, 1935. Western Ontario bean marketing scheme, February 1, 1935. British Columbia interior vegetable marketing scheme, March 4, 1935. British Columbia coast vegetable marketing scheme, March 4, 1935. Dominion of Canada jam marketing scheme, April 10, 1935.

Mr. MACKENZIE (Vancouver): The minister mentioned two boards operating in Ontario; what do they deal with?

Mr. WEIR (Melfort): Flue cured tobacco, the western Ontario bean marketing scheme and the potato marketing scheme. There is the dominion apple marketing scheme and the eastern Canada potato marketing scheme.

Mr. MACKENZIE (Vancouver): The minister mentioned that there were two or three schemes functioning in more than one province. In what provinces do these operate?

Mr. WEIR (Melfort): The jam marketing scheme operates in all provinces, as does the fruit export marketing scheme.

Mr. MACKENZIE (Vancouver): Is that under the jurisdiction of a provincial or a dominion board?

Mr. WEIR (Melfort): These schemes are all under the jurisdiction of the dominion board.

Mr. MACKENZIE (Vancouver): Is there any instance where there is concurrent jurisdiction of a provincial and a dominion board?

Mr. WEIR (Melfort): The milk marketing scheme in the lower mainland of British Columbia and the coast vegetable marketing scheme.

Mr. MACKENZIE (Vancouver): What does the minister say about those?

Mr. WEIR (Melfort): They are schemes in which the dominion is cooperating with the provinces.

Mr. MACKENZIE (Vancouver): The dominion jurisdiction is operating concurrently with the provincial jurisdiction. Will the minister tell me what schemes have been rejected in connection with demands that were made in any province of the dominion with respect to products under the Natural Products Marketing Act?

Mr. WEIR (Melfort): The schemes voted on and not passed were the Manitoba poultry marketing scheme, the Saskatchewan poultry marketing scheme, and the Alberta poultry marketing scheme. Schemes not acted upon as not considered expedient, the export butter scheme—

Mr. MACKENZIE (Vancouver): Was that by the dominion board?

Mr. WEIR (Melfort): Yes.

Mr. MACKENZIE (Vancouver): Are there any schemes now pending before any of these jurisdictions that have not yet been decided upon?

Mr. WEIR (Melfort): I had better finish answering the first question first. Schemes returned to petitioners, Montreal lumber; British Columbia sheep and sheep products; Manitoba vegetables; British Columbia eggs and poultry; British Columbia doors; oyster shell and poultry grit.

Mr. MACKENZIE (Vancouver): Were those rejected?

Mr. WEIR (Melfort): They were returned to the petitioners.

Mr. MACKENZIE (Vancouver): By whom?

Mr. WEIR (Melfort): By the dominion marketing board.

Mr. MACKENZIE (Vancouver): That is practically rejected.

Mr. WEIR (Melfort): Yes, but not voted on. Just the first three were voted on.

Mr. HANSON (York-Sunbury): Mr. Chairman, àpropos of this item in the estimates I desire to make a statement in regard to the marketing of potatoes. In the Charlottetown Patriot of May 20, 1935, reference was made to a speech delivered by the hon. member for Prince (Mr. MacLean) at a Liberal convention held at Summerside. In this speech the hon. member is reported to have stated as follows:

Two reasons were ascribed by A. E. MacLean, M.P.—

Mr. MACKENZIE (Vancouver): What is the hon. member quoting from?

Mr. HANSON (York-Sunbury): From an extract from a Charlottetown paper.

Mr. MACKENZIE (Vancouver): Which paper and what date?

Mr. HANSON (York-Sunbury): The Charlottetown Patriot, May 20. The extract reads:

Two reasons were ascribed by A. E. MacLean, M.P. at the Liberal convention held at Summerside on Tuesday night for the

present deplorable condition in the potato markets of Prince Edward Island and New Brunswick.

First the action of the Canadian government under Premier Bennett in putting up a high tariff wall against Cuban sugar, causing the Cuban government to retaliate by putting up an impossible barrier against Canadian potatoes, thus losing to Prince Edward Island and New Brunswick one of their most profitable potato markets.

The item proceeds:

He condemned the government for putting a dumping duty on Cuban sugar with the result that Cuban sugar was prohibited from Canada.

I feel that in the interests of accuracy this statement by the hon. member for Prince should not go uncorrected. The facts of the situation pertaining to the tariff on sugar are that the existing duties came into force on April 16, 1926, when a Liberal government was in power. These duties gave effect to the provisions of the Canada-West Indies trade agreement, which was concluded on July 6, 1925, for a period of twelve years, and which was signed on behalf of Canada by the following representatives: Hon. George P. Graham; Hon. James A. Robb; Hon. Thomas A. Low; Hon. W. R. Motherwell; Hon. John E. Sinclair; Hon. P. J. Arthur Cardin.

Schedule A of the Canada-West Indies trade agreement provides for preferences on West Indian raw sugar over raw sugar imported from foreign countries. The preference varies according to the degrees of polarization, but it is provided that in the case of sugar exceeding 95 degrees and not exceeding 96 degrees the preference will amount to $1 per 100 pounds. This is in respect to tariff item 135, which covers raw sugar, while in respect to item 134 covering refined sugars the Canada-West Indies trade agreement provides that West Indian sugar shall receive a preference of not less than 25 per cent of the duty charged on foreign sugar.

To give effect to the preference on sugar provided for in the Canada-West Indies trade agreement the Canadian duties on sugar were amended and the new rates were brought into force on April 16, 1926. There has been no change in the duties on foreign sugars since that date, so that the hon. member for Prince is inaccurate when he states that the Canadian government under Premier Bennett put up a high tariff wall against Cuban sugar.

Mr. ILSLEY: May I ask a question? That is not what the hon. member for Prince was quoted as saying, I think.

Mr. HANSON (York-Sunbury): I think so.

Mr. ILSLEY: Did he not say that the government fixed the valuation for duty purposes which had the effect of putting up the duties on refined sugar?

Mr. HANSON (York-Sunbury: He is not so reported in the press, and I am answering the press report. In fact, as I have shown, the duties on Cuban sugar have resulted from the trade agreement between Canada and the British West Indies which was concluded when a Liberal government was in power, and even if West Indian sugar should be made free of duty there would still have to be a duty of $1 per 100 pounds on imports from Cuba of raw sugar ranging between 95 degrees and 96 degrees polarization in order to give effect to the provisions of the treaty.

Mr. ILSLEY: It is a pity that the hon. member for Prince (Mr. MacLean) is not here, but I am familiar with the attitude that he has taken repeatedly on this question, and what he says is that this government by order in council, prior to the change in the Cuban duty on potatoes, made a valuation on refined sugar for duty purposes which had the result of effectively shutting out refined sugar.

Mr. HANSON (York-Sunbury): We never imported refined sugar from Cuba; never thought about it.

Mr. ILSLEY: I am not sure about that. The hon. member for Prince is familiar with this whole matter; he has discussed it in the house with the Prime Minister and with the former Minister of Trade and Commerce, and would be anxious to discuss it now if he were present.

Mr. POULIOT: May I ask the Minister of Agriculture what schemes were approved on or before December 31, 1934, in each province, starting with British Columbia first and coming east?

Mr. WEIR (Melfort): I have given that information.

Mr. POULIOT: Mr. Chairman, here is the same old story. The minister comes here with his estimates, and we are not seeking to block them at all; we simply want information, and the information I have asked for is most reasonable and pertinent. We have to know what schemes were approved. It is only a very small number, and again I ask the minister what schemes were approved on or before December 31, 1934, and what schemes were approved and have been in

force since then. It is a most pertinent and relevant question, and I am sure the minister is able to answer it.

Mr. WEIR (Melfort): I am afraid the hon. member did not hear what I said before. The information he has asked for I have already put on Hansard this evening, but I will read it again if he wishes.

Mr. POULIOT: Let me summarize it. Would the minister be kind enough—we will give him time to do it—to tell the committee how many schemes, and they are not many, were approved and in force on or before December 31, 1934; and the number of schemes that applied to one province only or to all provinces.

Mr. WEIR (Melfort): They are as follows: Tree fruit scheme, August 28, 1934; fruit export marketing scheme, September 8, 1934; British Columbia red cedar shingle export scheme, October 13, 1934; British Columbia dried salt herring and dried salt salmon scheme, October 22, 1934; Ontario flue cured tobacco scheme, October 26, 1934.

Mr. POULIOT: That is all? May I ask the minister the number of schemes that have been approved and in force since January 1, 1935?

Mr. WEIR (Melfort): They are as follows: Milk marketing scheme, lower mainland, British Columbia, January 1, 1935; eastern Canada potato marketing scheme, January 18, 1935; western Ontario bean marketing scheme, February 1, 1935; British Columbia interior vegetable marketing scheme, March 4, 1935; British Columbia coast vegetable marketing scheme, March 4, 1935; Canada jam marketing scheme, April 10, 1935.

Mr. POULIOT: Would the minister be kind enough to give us a compilation of trade figures showing the exports of each of the products he has mentioned since the marketing act came into force, and in the compilation will he give us the figures for the corresponding months of last year or the year before, when the marketing act was not in force, in order that we may see whether there has been any development of trade due to the Marketing Act?

Mr. WEIR (Melfort): I have not this information available and it would require a good deal of work to compile it. But even if I did compile it I do not think it would have any bearing on this subject, because this is not a matter that has reference to the finding of new markets through trade policies. The same products have to be marketed, whether under the marketing act or not. As regards obtaining the information asked for, I shall be glad to get it for the hon. gentleman, though I do not think it has any bearing on the matter. It would be impossible to get it to-night.

Mr. POULIOT: I thank the minister, but I am sorry to disagree with him on that point. In the early days of January the Prime Minister broadcast speeches in which he declared that the marketing act had been a boon to the farmer. Not only did he make that statement over the radio but it was published in the newspapers. Five hundred thousand copies of his speeches were distributed throughout the country. The right hon. gentleman said that owing to the marketing act the farmers were on their way to prosperity. There were only a few schemes in force then and the minister has not the information available. I have just asked him for information in line with the speeches delivered by the Prime Minister over the radio and he says it is not available. He may have the source of that information but he has not had it tabulated; otherwise he would have it now. It is nearly six months since the Prime Minister delivered his speeches over the radio, and how could he declare to this country at that time that the marketing act had been a boon to the farmers? It was a bluff as usual. Here we have a piece of legislation which is just as rotten as every other piece of legislation which has been brought down by this government since 1930. It is a bluff. We have heard from the lips of the Minister of Agriculture that it will serve no purpose in connection with exports; it will serve no purpose in connection with increasing the home market and improving it, because tariff walls are erected within each province. It is worse than ever. It is a scheme that comes from the heads of those brain trust fellows whom we should rather call brainless. The real cause of the farmer's troubles, the real reason why he cannot sell his products, is the reason set forth by my hon. friend from Weyburn (Mr. Young) in his excellent report on price spreads. We must go back to the fundamental reason why the farmer is in difficulties; it is the fact that the consumer has lost his purchasing power owing to the nefarious policies of this government, for the reason set forth so ably by my hon. friend from Weyburn.

Mr. McPHEE: And others.

Mr. POULIOT: The tariff policy of this government is the cause of the farmer's distress; that is evident. The decrease in exports has resulted in a decrease in home con-

sumption, the reason being that a great many people who were working for the manufacturers in 1930 have been set back, because the manufacturers have not had such wide markets as they had when the Liberal government was in power. People were set back, they had less money with which to buy farm products, and therefore, even if the farmer had wonderful crops, it was useless; he could not sell his products. The prices of farm products fell and someone, either in the Department of Agriculture or outside it, had the idea of making the barriers higher so as to restrict the farmer's trade still further, not only by decreasing exports as a result of the tariff dating back to 1930, but—

Mr. LOUCKS: When you remember that ninety-eight per cent of our primary products are consumed in Canada, except wheat and cheese, what has the tariff to do with it?

Mr. POULIOT: Will the hon. gentleman be kind enough not to speak so fast and to speak more distinctly? If he will do that I shall be glad to answer him. Will he kindly repeat what he said?

Mr. LOUCKS: The question is this. When ninety-eight per cent of our primary products are consumed in Canada, except wheat and cheese—and I got my authority from the bureau of statistics—how can the hon. gentleman refer to the tariff as ruining the home market?

Mr. POULIOT: I will answer the hon. gentleman's question although I am not a farmer, but before I reply I want to tell him one thing. I remember distinctly that in his first speech, either in the session of 1930 or in the session of 1931, he made the statement that if the policies of this government were not in the interests of the country he would vote against them, and since then he has been blind enough not to see the disastrous effect of the policies of the government. It is therefore pretty hard to discuss the question with him.

Mr. LOUCKS: Answer the question.

Mr. POULIOT: Mark you, sir—

Mr. LOUCKS: You have not answered the question.

Mr. POULIOT: What I have just said is merely a preliminary observation, but I noticed that the hon. gentleman nodded when I referred to his speech and his independence in word though not in fact. But coming to his question, let me ask him to look back at Hansard of June 6, 1934. He will see there the decrease in home consumption of farm products; it is on record. But that is not the only thing that is on record. When I asked the Minister of Agriculture several times whether he could give me some explanation of the decrease in home consumption of farm products there was no answer. Every time I asked the question he replied, "I will answer you to-morrow," and I waited patiently until he told me that the Prime Minister was too busy to look into the matter. That is the answer the hon. gentleman gave. When I mentioned that to him one day he rose from his seat and said he did not mean that exactly. I replied to him that I had quoted his words to the electors of the county of Russell in this good old province of Ontario, and had then said that if the Minister of Agriculture had told the truth they should have forced the Prime Minister to resign and if he had not told the truth the Prime Minister should have forced him to resign. That statement was received with cheers by that tremendous gathering. Well, sir, here is the answer to the hon. member for Rosetown (Mr. Loucks), he who says he is independent but who has been a slave since 1930. He is able only to interject silly interruptions when hon. members speak about problems which affect the farmers of this country. From time to time we hear "Quack, quack, quack" from him—no reasoning, no argument; he is just blind. I am sorry for him. Not only that, although I am not a practical farmer, I do spend my time and the best of my ability in trying to get some information in order to come to the rescue of these poor farmers who are still fooled by this marketing act legislation.

Mr. LOUCKS: Support the marketing bill; that is the answer.

Mr. POULIOT: How could the hon. gentleman explain it to his electors when he does not understand one iota of it? And when he said: "What about the sale of wheat?" was he able to answer when we asked him if he was not one of those who told the farmers not to sell their wheat in 1930, that they would get a better price? It was said throughout the prairie provinces by many members of the United Farmers of Alberta, by many members of his own party. What was the result? The result was that the pools still have their elevators full of wheat. We heard about quotas, but when it came to a practical question we heard that there were no quotas on wheat. We heard it to-day from the lips of the Prime Minister. What about his speeches made in England and all that? Now we are outside the question, but we went outside the question to meet the hon. gentleman on his own ground.

Now let us come back to the marketing act. Sir, the marketing act, like all the legislation concerning the farmer, has been brought in—why? To relieve the farmer in his distress? No, sir. It has been brought in on account of the complaints made by this side of the house to the government that nothing has been done for the farmer since this government came into power. Then they got their scribes busy writing line after line of stupidity, drafting these so-called laws. And afterwards we see them telling the farmers: Here we are helping you; here we are a blessing to you; we will bring you to the promised land. Ah, we know about that. That is a joke. That is bluff. There is nothing to it. If there were something to it, if those hon. gentlemen were in earnest, the first thing they would do would be to remedy the evils by removing the cause of them.

Mr. MACKENZIE (Vancouver): Themselves.

Mr. POULIOT: This is exactly what should be done: the tariff should disappear in order that the good farmers of Rosetown and all other constituencies of Canada could sell their products abroad, and the east could be free to sell its products to the west and the west to sell its products to the east living like brothers in this blessed land of Canada. That is what should be done, but nothing of that is done. We have paper piled ream on ream, Pelion on Ossa, bill after bill, used as a ladder to reach the top of the tariff wall. That Chinese wall had a very high top. Then what happens? There are no steps to come down the other side.

Mr. MACKENZIE (Vancouver): Just one big flop.

Mr. POULIOT: The farmer will break his neck falling down from the high tariff wall on which he has been hoisted by those enactments. Well, sir, we are without information. The hon. gentleman is not in a position to tell this committee whether or not there has been progress due to this legislation. If there was any progress of any kind do you believe for a moment that the minister would not gladly come to this committee and say: Here is what we have done for the farmers; they have sold so many more bushels of wheat, so much of this, so much of that, more than for the corresponding month of the previous year? We should be told that thanks to this legislation the farmers of Canada have sold so much more tobacco, so much more potatoes, so much more of this and that, and you owe that to this government. The minister would add: You owe that to myself. If he said that I would not blame him, because it would be an accomplishment. But as matters stand there is no accomplishment of any kind; rather it is a disaster. And how do they try to remedy it? They make it worse by that silly legislation which imposes a fine for everything and obliges everyone to have a licence. The cabinet should sit in the market square selling turnips and cabbages; they should go themselves to sell the farmers' products. They should employ many members who have not fat jobs. The hon. member for Rosetown will surely not be elected at the next election; he should be appointed to peddle the farmers' products from door to door, and then he would be useful to his country—if he could sell anything. If he talked to the prospective purchasers as he does to this house I do not think he would be very successful.

These remarks have lasted ten or fifteen minutes, giving the hon. gentleman time to compare the months during which the marketing act has been in force with the corresponding months of the previous year. Is he in a position now to tell the committee what benefit the farmers have derived from the marketing act for each product since it has been in force?

Mr. WEIR (Melfort): I am sure the hon. member does not expect any person to take very seriously much of what he has said during the last ten or fifteen minutes. He has just repeated what has been so often repeated by many hon. members opposite, the charge that the present government has been responsible for the restriction of trade especially in connection with the products of the farm and the primary producer. I am certain that he knows full well that it was during the regime of the former government, under the leadership of the present leader of the opposition, that practically all the markets of the world were closed almost entirely to the products of the Canadian farm.

Some hon. MEMBERS: Oh, oh.

Some hon. MEMBERS: Hear, hear.

Mr. POULIOT: Give him a chance.

Mr. WEIR (Melfort): I do not state that as my opinion; it is a matter of record.

Mr. ELLIOTT: You cannot prove it.

Mr. WEIR (Melfort): Tariffs were raised by country after country against the chief agricultural products of this and other countries, making it impossible for them to enter those markets.

Mr. VALLANCE: Did the minister know that during the election campaign in 1930?

Mr. WEIR (Melfort): Certainly.

Mr. LOUCKS: Mr. Dunning knew it.

Mr. WEIR (Melfort): The Hon. Mr. Dunning stated in Saskatchewan in reference to wheat that every market of the world had been closed against Canadian wheat with the exception of the United Kingdom. I am not accusing hon. members opposite who were in the government or supporting the government at that time of being responsible for that. I simply state the fact, and hon. gentlemen opposite know it as well as any person, that during their regime tariffs were raised by other countries, practically all large importing countries against the products of our Canadian farms to such an extent that it was impossible to export them.

Mr. BEAUBIEN: The trade returns for 1930 do not show that.

Mr. WEIR (Melfort): The only hope of some hon. members opposite appears to be to evade the question as soon as they leave the house and to get up and repeat over and over again the same statement, which they must know is not a statement of fact. I will give two illustrations, first the United States tariff against our cattle. During the 1929-30 session of congress the tariff was raised to three cents per pound, a prohibitive tariff under normal conditions. The effect of that increase is shown in the fact that between 1926 and 1929-30 in the neighbourhood of a quarter of a million head of live stock were shipped to the United States yearly, whereas after 1930 that export was almost entirely cut off. In 1929 more than 255,000 head of cattle, including calves, were shipped from this country to the United States. During the time hon. gentlemen opposite were in power the tariff against these cattle was raised to such an extent that the quarter of a million cattle that had been wont to find a market in the United States were turned back to this country simply because the farmers could not pay the tariff raised against them.

I will take another commodity that is of special interest to eastern Canada; I refer to dairy products. I will take one year, 1927, which is fairly typical of a number of years prior to 1930. In the year 1927, in butter, cream, cheese and milk we shipped to the United States a quantity which, if it had been manufactured into cheese alone, would have made 52,000,000 pounds of cheese. While hon. gentlemen opposite were in power, however, the tariff was raised against our dairy products to such an extent as to make it impossible for these products to enter that market to any extent, which meant that they were turned back to this country to be added to the agricultural products already here, thus forcing down the market. There could be no other result.

All I ask is that hon. gentlemen opposite be as fair in these discussions as I know they are outside of political discussions. We welcome logical, true criticism of this government, but I say it is not a statement that even purports to give a true picture when the hon. gentleman states that these restrictions have been imposed on trade since this government came into power. The events to which I have referred took place before 1930.

In reference to the marketing act the hon. member also twisted—unwittingly, I have no doubt—the answer I made when I stated that it was not the purpose of the marketing act to find new markets. That was stated over and over again when the bill was under discussion in the house. The purpose of the act was simply to develop a more efficient system of marketing, to avoid wastage as far as possible and to bring the producers themselves closer to the marketing of their own products. In regard to any benefits that may have been derived through putting this marketing act into operation, perhaps the best answer I could give the hon. gentleman is that already we have had accepted eleven schemes under the act, some of them very wide in their range, and there are now under discussion eighteen further schemes. Without any encouragement on the part of the government the farmers and primary producers have availed themselves of the benefits which they feel lie in the marketing act. For example, a fruit export board was set up. There was a great deal of criticism in connection with that board from several sections, especially the maritime provinces, but some of those who were most critical in the earlier stages and even after it was put into operation are now among its supporters. That result was shown in a vote that was taken at a conference of fruit growers held at Kentville last fall, when the vote in favour of the apple export scheme, if my memory serves me aright, was four hundred and ninety-five to one. That was the opinion expressed through the votes of the farmers themselves. The British Columbia tree fruit growers had a scheme in effect for some time before a vote was taken, administered by a local board. After it had been in operation for a year it was put to a vote, and ninety-six per cent of the growers voted in favour of it.

It may be said, if one wishes to go outside the marketing act altogether, that for example the quality of our products under that act have not been improved, though I believe

they will be improved indirectly. My hon. friend, however, stated that the marketing act has not accomplished certain things which it was never intended to accomplish. Personally I should prefer to leave it to the judgment of the farmers themselves who have been marketing their products under schemes submitted by them in which, in the two instances I cited, approval was voted by very large majorities. In addition there are other industries that wish to reap the benefits of this legislation. Last year representations were made to the government by the newsprint people of Ontario and Quebec, to see if it would not be possible for them to come under the provisions of the marketing act. Some of our prominent citizens in positions of authority, who stated very definitely that the marketing act should not be proclaimed at all until after a federal election, now are strongly supporting it.

In connection with the newsprint application I believe both Premier Hepburn and Premier Taschereau asked the government to do everything possible to assist these men, who requested that the government see if it would not be possible to bring this industry under the provisions of the marketing act. This act has been in operation only since last August; as yet it has not been in force for a year, but without any effort on the part of the government to encourage the farmers and primary producers to make use of it their appreciation of this measure is growing to such an extent that our chief concern is to cope with the demands made upon us to investigate schemes and put them into operation. The whole purpose of this act, no matter how it may be distorted, is this: It gives the producers of the Dominion of Canada their own parliament through which they can put into effect the will of the majority of the producers.

Mr. POULIOT: The hon. gentleman has repeated the story—I cannot call it an argument—that the trade of Canada has decreased because of the tariff barriers that were erected by other countries while the Liberal government was in power.

Mr. STEWART (Lethbridge): Hear, hear.

Mr. POULIOT: The hon. member for Lethbridge says, "Hear, hear." May I ask him why this government take as a basis of comparison, with regard to trade, not 1930, the last year of the Liberal administration, but the year 1932, which was our rock bottom year due to the ill effects of the tariff legislation introduced by this government? I should like to know why the hon. gentleman's party are not fair enough to take as a basis of comparison the last year of the Liberal government. They are willing only to compare themselves with themselves, and at present they are not better but only a little less bad than they were two or three years ago. It is hard for the hon. member to answer that. The fact is that in 1930 our trade was nearly three times as great as it is to-day—four times as great if one considers everything. In 1930 we had twice as much external trade and twice as much internal trade as we have to-day, and the hon. gentleman knows it. He has only to produce the official publications from the statistical branch of the Department of Trade and Commerce to learn that fact for himself.

There is another very important point. The hon. member has said that the high tariff legislation of the United States was used against Canada while the Liberal government held office. In connection with certain items I admit that that statement is true. The reason the export of cream, milk, butter and cheese was smaller in the first part of 1930 was that the farmers of New England had come to Canada to buy cattle belonging to the Canadian farmer. It was impossible for the government to prevent the farmers from selling their own cattle. The production of butter, cheese and other dairy products decreased because the farmers had been willing to sell their cattle to the United States. Further than that, every person who lives either in eastern or in western Canada knows that the duty imposed by the United States on sawn lumber came into effect after the special session of 1930 as a measure of retaliation against Canada because of the high tariffs enacted by this government at that session. I would not have raised the point had not lumber and newsprint been mentioned.

May I tell the minister some facts about the newsprint industry. The real way to settle newsprint difficulties is not that of kneeling down before the pulp magnates, but that of having a minimum wage law for men in the province of Quebec. That has been advocated by at least one member on this side of the house. Only when there is minimum wage legislation for men in the province of Quebec will the lumbermen be treated fairly by the pulp magnates. Not only that; the minister knows very well that a delegation came to interview the Prime Minister in Ottawa. An understanding about the sale of newsprint was arrived at, but it was found to be of no value because one pulp company did not agree to the terms. Therefore the

price of newsprint has fallen, and I cannot see how the marketing act will have any beneficial effect.

We have but to look across the boundary line to see that the NRA is a complete failure, due to a decision handed down by the Supreme Court of the United States, the highest tribunal in that land, in which it is stated that the codes of the NRA are ultra vires, and that they are not binding in law. The effect of the decision has been felt in Canada. The NRA was a failure; why? Because the government of the United States thought that that great country with a population ten times greater than ours could be self-sustaining. That mistake was made by the head of this government when at the London conference in 1930 the right hon. gentleman said to Great Britain, "If you refuse to support us, Canada can be self-sustaining." This was the Canadian NRA. The hon. member has said that the marketing act has nothing to do with exports. That is the weak point in it. That particular piece of legislation will not help the farmers to sell their products abroad, despite the fact that boards are empowered to raise or to decrease the tariff. There is a delegation of powers from the House of Commons to an incompetent and irresponsible board which can raise a tariff without reference to parliament. Therefore I say the matter of tariffs is relevant to this issue because the boards created by virtue of the act have powers to decrease or to raise tariff rates.

Sir, in 1930 we had the NRA in Canada. Not only that, but the Prime Minister has stated repeatedly that we have maintained our home market. That is a false statement, because the people are eating less farm products. Why? Because those who have lost their jobs have no money to pay for those products. That is the reason—and still we have something which almost equals an NRA code, and that in a country which is ten times smaller in population than the United States. We see reports of speeches delivered by Mr. Hull, the right arm of President Wilson. He is crying for external trade, and all men of vision in the United States are doing the same thing.

Here we have a system of schemes which do not help the farmers in the sale of their products abroad. The Minister of Agriculture has repeated his former statement that the legislation will not help the farmer so far as exports are concerned. This is the life preserver offered—a life preserver with a big stone in it. The farmer will be drowned if he uses it, and that is why I protest. If the legislation had been sensible and had it been drafted in a way to give real and practical help to the farmer, whether it had been presented by the minister or by any other hon. member of the cabinet, I should gladly and heartily have given my support. But my deep conviction is that it is bad legislation, and that is why I object to it.

Mr. LOUCKS: You are all wet when you say that, and wasting time.

Mr. POULIOT: I wonder if the wit of my hon. friend is dry. This is the kind of interjection we have when a member is endeavouring to inform the farmers so that they may not be deceived. When an hon. member does that he is greeted by the jeers of members of the calibre of the hon. member who has just interrupted. I am sorry for him.

Mr. LOUCKS: I do not want your sympathy.

Mr. POULIOT: I have compassion for him, and my compassion is still greater because I see him laughing and smiling. He does not take it seriously; he is like the Prime Minister.

Mr. LOUCKS: Who would take your talk seriously?

Mr. POULIOT: He is busy supporting the government, pro and con, despite any sensible considerations.

Mr. LOUCKS: Too bad you would not follow it.

Mr. POULIOT: He is the boatman of the Volga; he is ready to support the government blindly. I regret this because I feel sure that when the time comes his constituents will not support him blindly. They will ask him what he did in the house besides jeer at other members. They will ask him why he did not take part in the discussion of these problems which concerned them.

I regret that this legislation has done nothing to increase the exports from this country. All it has done is to prevent the increase of our external trade. I regret also that one of the champions of this legislation is a salaried man in the Department of Finance. This man acts as judge under the creditors' arrangement act. I believe he is paid $25 per day plus expenses and he uses much of his time to write articles in praise of this legislation which he does not understand at all. This legislation is no good; it never has been any good and it will be no good in the future as a means of assistance to the farmers.

Mr. WEIR (Melfort): The first reference of the hon. member for Témicouata

(Mr. Pouliot) was in the form of a criticism of a statement I had made. He objected to our making our comparison with 1932 rather than with the last year the previous government was in power. Does the hon. member for Témiscouata think it fair to take a period when the trade and prices of the world were altogether different from what they are at the present time? If that is so, then we can only come to the conclusion that the present government was responsible for the world depression. The only fair comparison to make of the trade and exports of Canada year by year since the present government came into power or for the period the previous government was in power is to make it with world trade. In making such a comparison I believe we are on very sure ground when we take the report of the League of Nations which shows a great improvement in the trade of Canada during the last few years compared with other countries. The hon. member made one remark when he was first speaking which I thought was an oversight but when he rose again he repeated it so often that I finally concluded he was really convinced that the marketing act gave the power to raise and lower tariffs. This act contains no provisions for the imposition of either interprovincial tariffs or tariffs upon goods coming into the country.

When I spoke before I made the statement that it had never been claimed that the marketing act would find new markets for the products of the primary producers. However, this act can wield a great influence, not so much in getting new markets—when I made that statement I had reference to the changes in tariffs—but in controlling the quality of the products which go into certain markets. For example, I am sure that hon. members from both the east and the west will admit that the steps taken last year by the fruit export board had a very excellent effect in keeping up the quality of apples exported to the United Kingdom. Representatives from this country, including a representative of the fruit growers of Canada, went to the United Kingdom and at the request of the National Farmers' Union of Great Britain discussed whether or not some steps could be taken to prevent the dumping of more or less inferior apples on the markets of Great Britain at a time when their apples were coming on the market. It was realized that if some steps were not taken to prevent the dumping of an inferior product, the government of the United Kingdom might be forced to take action in this connection. The Minister of Agriculture of Nova Scotia, the Hon. Mr. MacDonald, went over to the old country to investigate the matter of trade, and he was one of the first and most urgent advocates that something should be done. Something was done under this act, and during the last year the people of the old land were very much impressed with the quality of the apples which were shipped.

There is another point which we hear raised perhaps oftener than anything else. It is stated that the increased tariffs have restricted trade. I think we are all more or less inclined to agree with that. When the former government were in power they talked about lower tariffs but it did not avail them anything because the tariffs of other countries were raised against our products. The psychology of fear was used in explaining the increase in tariffs to the different peoples. They were told of the flood of products which might come into their country. For example, there were our cattle and dairy products going into the United States. The politicians and organizers would tell the producers that there would be such a flow of products that their markets would be completely lost. No matter how earnest the people of different countries may appear to be in their talk of reducing these tariff walls—but only talk—I believe this marketing act provides a means by which we can overcome some of the damage which has been done. This legislation provides a bargaining factor in our dealings with any country. We can agree to ship only certain quantities at certain times of a certain quality. I think we all agree that everything within reason should be done in order to break down tariff walls which hinder trade but hon. gentlemen opposite did nothing but talk in connection with that.

Mr. RALSTON: We established a few figures in trade.

Mr. WEIR (Melfort): The hon. member comes back to the trade figures. He is taking credit for the prosperity of the world during the times of great prosperity but he gives no consideration to the world conditions which have since resulted and in which Canada has had to share. Further, in connection with finding new markets, if we do get new markets for our agricultural or primary products, if you wish to hold that market it is exactly the same with a country as with an individual; you have to assure the people who undertake to market your product that a supply will be available to them at all times of a certain quality if they go to the expense of changing from one product to another. I will mention one product in that connection, bacon. We know that the old country distributors of bacon had with practically little exception got into the habit of purchasing Danish bacon

with which to supply their customers. Now it was a big step for these men to change from that habit of years and undertake to sell bacon of a different quality or kind, but some men did that and they were successful in developing a large trade in Canadian bacon. Then they found themselves in this position: after they had developed a trade in the neighbourhood of eight million pounds a month in the case of one concern, that due to a lack of supply of hogs coming on the market in this dominion it was impossible for them to get what they wished for their own customers. The result was that after at great expense to themselves buliding up this trade, because of forces over which they had no control the necessary supply did not come forward and when their customers asked for Canadian bacon they could not get it; consequently these distributors were forced to go back and again handle Danish bacon.

As long as we have in our industry individuals each working as we all do more or less, though we might not admit it, for his own individual gain, they are not going to ship bacon to the old country when they can get a better price for it here, and I believe that if we are to hold the bacon market or any other market we have to take such steps as are necessary to ensure at least an even flow sufficient to meet the demand created for our product. I know of no other way except by the producers in Canada organizing for themselves and setting up a scheme of their own through the marketing board and making provision through the marketing board to compensate those who produce hogs at a time of the year when they cost more to produce. Depending on the time when the young pigs are born, the producers who produce at a time when it is dearest should receive a premium, or some fund should be set up to ensure that there will be a level supply coming forward.

I could elaborate on that and other matters in this connection, but I shall not take the time to-night. I do feel that the criticism of hon. gentlemen opposite, especially the hon. member for Témiscouata, is very poorly founded indeed. For instance, I do not think they are so much concerned with Canada's expansion in trade or they would not have been so bitter, and I use that word advisedly, in their opposition to the Ottawa agreements. The effect of tariffs against our lumber was mentioned, but surely nothing that has been done by any government in the Dominion of Canada has done more to increase our market for our products of the forest than the Ottawa agreements; yet they were bitterly opposed by hon. gentlemen opposite not only when they were passing through this house in 1932, but also during the present session.

There was another statement made by the hon. member for Témiscouata. I understood him to say that the reason that our exports of dairy products to the United States decreased was that the farmers of the eastern part of the dominion sold so many cattle to the United States that our production of dairy products decreased. I do not think that that is the reason or that it would be accepted as the reason by the farmers of my hon. friend's own province.

Mr. MacLEAN (Prince): Mr. Chairman, I am sorry that I was not in the chamber when the hon. Minister of Trade and Commerce (Mr. Hanson) spoke regarding the duty on Cuban sugar and the effect that it had on the potato trade of the maritime provinces and our shipments of potatoes.

This story goes back quite a little way. I hold in my hand a clipping from a Cuban paper, Mundo, which says, referring to Hon. Mr. Macdonald's visit:

> Commercial relations between Cuba and Canada, after expiration of the existing modus vivendi in December, were discussed at a conference between Canadian Minister Macdonald, Canadian Commercial Attache Marmack, officials of the departments of state, and of agriculture, commerce and labour, and members of the tariff commission. The state department is said to have indicated that Cuba will not change her tariff policy but will consider modifications in favour of Canada provided that country makes special concessions as to Cuban sugar, rum and tobacco, and the Canadian representatives agreed to study the question.

Our Canadian representative, the Hon. Mr. Macdonald, agreed to study the problem and report when he got back home to his own government. That was in 1931. That was when our good friend Mr. Macdonald went down to Cuba, and this is the report the Cuban papers gave of his interview there. How did this government treat Mr. Macdonald's report when he came back? We endeavoured time and again to get that report of his mission, and at last we got a statement from the government something along this line: "Cuba is willing to trade with us if we would make certain concessions." How did this government make concessions to Cuba? I have here a copy of an order in council passed on January 27, 1932, from which I quote:

> Whereas the Minister of National Revenue reports that refined granulated sugar is being imported into Canada under such conditions as prejudicially or injuriously to affect the interests of Canadian producers thereof;
>
> Therefore His Excellency the Governor General in Council, on the recommendation of the Minister of National Revenue and under the authority of section 43 of the Customs Act, chapter 42, R.S.C. 1927, as amended by section

4, chapter 2 of the statutes of 1930, second session, is hereby pleased to authorize the Minister of National Revenue to fix the value for duty of refined granulated sugar, the value so fixed to be deemed to be the fair market value thereof, notwithstanding any other provisions of the Customs Act.

And now our friends opposite seem to try to dodge this issue because they find they are in a very tight fix. They find that they have injured the maritime provinces by this order in council, and on every occasion now they try to dodge the issue and say, "We put this impost on refined sugar, and therefore it did not affect the imports from Cuba." But I want to say, Mr. Chairman, that Cuba has been prepared to ship refined sugar to Canada. She found that she could not ship her sugar here all in the raw state, and so she established her own refineries and was perfectly willing to ship her sugar here, refined or raw. She told our good friend Mr. Macdonald that she was willing to trade with us if we gave her a fair deal, but this government in place of making some concessions to Cuba immediately put this regulation through. The hon. member for Gloucester (Mr. Veniot), will put on record to-night, if he has time, the shipments of sugar before this regulation went into effect and the shipments that Canada received after, and he will be able to show that the shipments were reduced immediately after this regulation went into effect. Everyone knows this to be a fact.

To carry this matter a little further what do we find? It was discussed in the House of Commons; our good friend from Weyburn (Mr. Young) spoke on this question in the house on November 7, 1932, at page 978 of Hansard, and this exchange took place between him and the Prime Minister:

Mr. Bennett: That was covered by the treaty, and he could not change it. Surely the hon. gentleman knows that.

Mr. Young: Then what benefit was the beet grower going to get out of it? He was going to sell raw sugar.

Mr. Bennett: It kept Cuban sugar out.

I want my hon. friends over there to get that. Here is the statement of the Prime Minister of Canada, speaking on the floor of this house, and stating that the order in council which this government passed kept Cuban sugar out. What better authority do we want than that? What higher source could our farmers go to for this information?

Mr. STEWART (Lethbridge): Would you change it?

Mr. MacLEAN: I certainly would. Just give us a chance—we will have a chance in the near future—and we will change it and change it pretty quick. And it won't hurt the refiners or beet growers either.

Mr. POULIOT: You cannot change the Prime Minister's speech.

Mr. MacLEAN: The situation is this. What has this government done instead of giving some assistance to the farmers of eastern Canada so far as their potato market is concerned? The Minister of Agriculture has just told us of the wonderful things that have been done under the empire agreements; but what is the condition of the potato grower to-day in connection with those agreements? Has the potato grower derived any benefit from them? There is a market over there for all potatoes from the European countries, but Canada was kept out of it. Why did they not get something out of those agreements for the benefit of the potato growers of the maritime provinces? Nothing doing. The poor potato grower of the east was never thought of when those agreements were going through, and yet our friends on the opposite side will laud the agreements to the skies, telling the people what wonderful benefits the farmers have got from them. I condemn this government for not having done something, under the empire agreements, for the advantage of the potato growers of eastern Canada. That is No. 1. No. 2 is this: I condemn the government for not having endeavoured to obtain a better trade arrangement with Cuba. I condemn them for having put that order in council through which prevented Cuban sugar from coming in. And No. 3 is this. Under the marketing act they have ruined the potato market so far as the growers of eastern Canada are concerned. What does the chairman of the board say? He denied the statement attributed to him, but in the Mail and Empire he is reported as having said in Toronto that the board kept out of Ontario and the city of Toronto no less than 700 cars of maritime potatoes this season.

An hon. MEMBER: Shame.

Mr. MacLEAN: Hon. members shout "Shame," and I say it is a shame. It is an absolute shame that a member of the board, paid by this government and supposed to play the game—

Mr. WEIR (Melfort): The government does not pay the chairman.

Mr. MacLEAN: The farmers do and that is all the worse. The farmers are taxed two per cent on their potatoes to pay these gentlemen, and instead of playing the game fairly this gentleman was reported as making the

statement which I have quoted. He may be in the gallery to-night and I do not care a continental if he is. He can deny it, but I do not believe that the Mail and Empire of Toronto misquoted him when it reported him as having said that the maritimes had lost the sale of 700 cars of potatoes this season in Ontario and the city of Toronto. Now what do we find? Under the old system, before this board came into being, we could sell in Toronto fifty-five cars of potatoes from the maritimes. The city of Toronto alone took about seventy cars per week and we contributed fifty-five cars of that total and Ontario sold the other fifteen. Now the tables are turned on us and instead of fifty-five cars we sell fifteen while Ontario and Quebec sell the other fifty-five. That is what the act has done for Prince Edward Island, Nova Scotia and New Brunswick. All we have to do to be elected in the maritimes is to take these orders in council and the statement of the Prime Minister and wave them before the farmers and the result will be that every man put forward by the Liberal party will be returned to parliament.

Mr. WEIR (Melfort): There is one point in connection with the hon. gentleman's statement. He knows as well as anyone in the house that as regards getting a market for Canadian potatoes in the United Kingdom, it is not a matter of tariffs or agreements but a matter of the advice of experts in the old country, that potatoes from this country, because of the potato bug, should not be allowed to enter there.

Mr. MacLEAN: I know that, and that is one of the things the hon. gentleman's government should have seen to.

An hon. MEMBER: Why didn't you do it?

Mr. MacLEAN: There was no need; we had a market for our potatoes before this government got into power.

Mr. WEIR (Melfort): The hon. member knows that every possible effort was made by the present government to establish before the authorities in the old country that there was no danger in allowing our potatoes to go in.

Mr. MacLEAN: Was it ever brought out when the empire delegates were here?

Mr. WEIR (Melfort): Yes.

Mr. MacLEAN: It was brought out privately by correspondence between the different governments, but I do not think it was ever pushed when the delegates were here. If the government had desired to do something for the maritimes that was their chance, but they did nothing for us. The government should have insisted that we get this concession.

Mr. WEIR (Melfort): It was discussed with experts from the United Kingdom and included in the draft agreements, but the objections were as I have stated.

Mr. VENIOT: It is now a few minutes to eleven and I should hate to undertake to discuss this question in the short time at my disposal.

Progress reported.

At eleven o'clock the house adjourned without question put, pursuant to standing order.

Monday, June 3, 1935

The house met at three o'clock.

HYNDMAN COMMISSION

Report of commission appointed to carry out an investigation into the existing facilities in connection with unemployment of ex-service men and care and maintenance while unemployed, in English and French—Mr. Guthrie (for Mr. Sutherland).

CURRENCY ACT AMENDMENT

On the order: Introduction of bills:

Mr. SPEAKER: I have had an opportunity to consider the bill which the hon. member for New Westminster (Mr. Reid) proposed to introduce at the last sitting, to amend the Currency Act. Does the hon. member for Vancouver Centre (Mr. Mackenzie) wish to say anything further in this connection?

Mr. MACKENZIE: No.

Mr. SPEAKER: I have come to the conclusion that the bill is not in order. It would involve additional charges on the revenue of the country, and on the authorities which it is not necessary for me to cite there is no question but that the bill is not in order. Therefore I would rule the motion for leave to introduce it out of order.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

INTERIOR DEPARTMENT—POSITIONS ABOLISHED

Mr. AHEARN:

1. On what dates were the following positions in the Department of the Interior abolished; the respective ages of each of the occupants of these positions on retirement and the amounts being paid annually to each of them under the Superannuation Act of 1924?
(a) Commissioner of Dominion Lands.;
(b) Assistant Commissioner of Dominion Lands;
(c) Acting Controller of Timber and Grazing Lands;
(d) Controller of School Lands;
(e) Controller of Mining Lands;
(f) Director of Northwest Territories and Yukon;
(g) Acting Controller of Ordnance and Railway Lands.
2. On what date was the position of Director, Lands, Northwest Territories and Yukon branch, Department of the Interior established?
3. What is the salary range of that position?
4. Was the position filled after holding a competitive examination?
5. Were the former occupants of the abolished positions above enumerated or the occupants of any of the other abolished positions in the Department of the Interior given an opportunity to compete for the newly established position?
6. What was the position held by the present occupant of the recently established position when the natural resources were transferred to the western provinces?
7. What promotions, if any, has that person received since the present administration came into office?

Mr. MURPHY:

1.

Date	Age	Salary	Annuity on retirement
(a) 23rd October, 1931..	51	$5,220	$2,560 15
(b) 21st June, 1931..	56	4,620	735 87
(c) No such classified position.			
(d) 9th November, 1931..	56	4,320	2,401 16
(e) 4th November, 1931..	57	4,080	2,479 41
(f) 1st July, 1932..	56	4,920	3,300 75
(g) No such classified position.			

2. 1st April, 1934.
3. $4,620, $4,920, $5,220.
4 and 5. No. The lands, Northwest Territories and Yukon branch was a consolidation of the functions remaining in the land administration after the transfer of the natural resources to the western provinces plus the duties of carrying on under the Minister and the Northwest Territories Council the routine administration of affairs in the Northwest Territories and the departmental business relating to Yukon affairs. The Civil Service Commission authorized the promotion of the chief clerk who was actually in charge of all this work.
6. Head clerk.
7. (a) Head clerk to chief clerk, (b) Chief clerk to director, lands, Northwest Territories and Yukon branch.

ARREST OF COUNTERFEITERS

Mr. BOULANGER:

1. Have counterfeiters been arrested in Quebec recently?
2. If so, how many sentences were passed in the connection?
3. Has the Royal Canadian Mounted Police arrested all those known to have made and passed counterfeit money in circulation in the city of Quebec?
4. Is it the intention of the Department of Justice to prosecute those known to have made counterfeit money and who have not yet been arrested; if not, why?

[Mr. Speaker.]

Mr. GUTHRIE:

1. Yes.
2. Two cases since January 1, 1935:
(i) Henri Martin sentenced on two charges: (a) making counterfeit coins; (b) uttering counterfeit coins.
Sentenced to three years' imprisonment on each charge to run concurrently.
(ii) Mrs. Henri Martin (wife of above) sentenced on one charge: uttering counterfeit coins.
Sentenced to four months' imprisonment.
3. The Royal Canadian Mounted Police have arrested all those known to have made and passed counterfeit money in circulation in the city of Quebec, except certain minors who were implicated.
4. It is not proposed to arrest and prosecute the minors referred to above, as it is considered they were largely influenced and lead into wrong doing by those already sentenced.

ARCHIBALD DUNLAP

Mr. ILSLEY:

1. What position does Archibald Dunlap hold under either the Department of Public Works, or Department of Marine, at the railway wharf at Pictou?

2. What are his duties?
3. What salary is paid him?
4. How much did he receive in 1934?

Mr. CAHAN:

1. He is wharfinger of the east railway wharf, freight shed wharf, west railway wharf, and commissioners wharf, at Pictou, Nova Scotia, under the Department of Marine.

2. Supervision of the above wharves and the collection of tolls and dues leviable for their use.

3. He is remunerated from the tolls and dues collected: 50 per cent of the first $200 collected per annum, or any portion thereof, plus 15 per cent of all collections over $200 per annum.

4. $887.15.

FARMERS' CREDITORS ACT COMMISSIONERS

Mr. FAFARD:

1. What are the names of the commissioners appointed under the Farmers' Creditors Arrangement Act, in the province of Quebec?
2. What are their respective salaries?
3. Are their travelling expenses paid by the government?

Mr. RHODES:

1. Hon. Justice L. J. Loranger, chief commissioner, and commissioners Joseph S. Royer and Albert Rioux.

2. The chief commissioner receives no salary as such. The commissioners receive $25 per day for each day engaged on the work of the board of review.

3. Yes.

REVISION OF STATUTES, 1927

Mr. DORION:

1. What are the names of the persons charged with the revision of the statutes of 1927?
2. When were they appointed?
3. In what manner were they appointed?
4. What sum did each such person receive?
5. When did they complete the final report?
6. What was the total cost of revision of such statutes?

Mr. GUTHRIE:

1. (a) Right Hon. Sir Chas. Fitzpatrick, P.C., G.C.M.G., K.C.;
   (b) E. L. Newcombe, K.C.;
   (c) E. J. Daly;
   (d) F. R. Mcd. Russell, K.C.;
   (e) L. A. Rivet, K.C.;
   (f) H. H. Dewart, K.C.;
   (g) Alex. MacGregor;
   (h) E. R. Cameron, K.C.
2. (a) December 28, 1923;
   (b) December 28, 1923;
   (c) December 28, 1923;
   (d) December 28, 1923;
   (e) December 28, 1923;
   (f) December 28, 1923;
   (g) August 22, 1924, vice H. H. Dewart, K.C.;
   (h) December 11, 1924, vice E. L. Newcombe, K.C.
3. By order in council.
4. (a) $18,448.20 including expenses;
   (b) $ 2,125.75 including expenses;
   (c) $ 9,675.60;
   (d) $14,275.60 including expenses;
   (e) $10,595.60 including expenses;
   (f) $ 1,449.50 including expenses;
   (g) $ 7,650.73 including expenses.
   (h) $ 8,931.78 including expenses.
5. November 23, 1927.
6. $138,473.53.

HECTOR WARREN

Mr. DESROCHERS:

1. Is the government aware that Mr. Hector Warren, of Pointe-au-Pic, was employed by the Department of Public Works as engineer, at Quebec, since 1911?
2. How long did he remain with the Department of Public Works in the capacity of engineer?
3. Is he still employed by the Public Works Department, at Quebec?
4. If not, when did he cease to be employed by the said department?

Mr. STEWART (Leeds):

1. Yes, since June, 1913.
2. From June, 1913, to January 24, 1916.
3. No.
4. January 24, 1916.

CUSTOMS CRUISER MARGARET

Mr. EULER:

1. What was the original purchase price of the former customs cruiser the Margaret?
2. At what price was the Margaret sold by the government, to whom and when?
3. What sum was expended in refitting and equipping the Margaret prior to sale?
4. From whom was the preventive service vessel Ulna purchased, and what was the price paid?

Mr. GUTHRIE:

1. $273,360.64.

2. $18,000. Sold to Mr. F. L. Zimmerman, 98 Montague street, Brooklyn, New York, U.S.A., in September, 1932.

3. $13,100 by Department of National Revenue—annual refit, to place her in commission.

As the annual average cost of maintenance of this vessel for the two preceding years was over $125,000 per anum, it was decided by the R.C.M. Police not to place her in commission, but to dispose of her by sale.

4. The Margaree Steamship Company Limited, Sydney, N.S. Price paid $55,000.

ST-JOSEPH D'ALMA, QUE., POSTMASTER

Mr. CASGRAIN:

1. Who is the present postmaster at St-Joseph d'Alma, Quebec?
2. When was he officially and permanently appointed?

Mr. SAUVE:

1. Louis Philippe Simard.
2. 19th January, 1935, by the Civil Service Commission.

CANADIAN NAVY OFFICERS

Mr. POULIOT:

1. What is the total number of officers in the Canadian navy?
2. How many of such officers are bilingual?

Mr. STIRLING:

1 and 2. The total number of Royal Canadian naval officers is 98, of which number 8 are bilingual.

QUESTIONS PASSED AS ORDERS FOR RETURNS

ANTOINE RIVARD

Mr. DESROCHERS:

1. Has the government retained the services of Mr. Antoine Rivard, solicitor and king's counsel of Quebec, since 1930 to date?
2. If so, for what purpose and in what cases?
3. What emoluments or fees have been paid to Mr. Rivard in each case?

Mr. CAHAN: Return tabled herewith.

BRITISH COLUMBIA RELIEF CAMPS

Mr. HANSON (Skeena):

1. How many single men were there in the relief camps in British Columbia (a) on January 1, 1935; (b) on May 1, 1935?
2. What was the average cost per man, per day, in connection with these camps for the past twelve months up to May 1, 1935?

Mr. CAHAN: Return tabled herewith.

INTERIOR DEPARTMENT EMPLOYEES

Mr. AHEARN:

1. In view or the provisions of order in council P.C. 189-1118 dated the 15th May, 1931, directing the Civil Service Commission to make no further appointments either permanent or temporary from outside the service to any positions that can be suitably filled by surplus employees from the Department of the Interior, how many such ex-employees were reengaged at salaries equal to the salaries they received when retired?
2. How many appointments, permanent or temporary, have been made since the date of that order in council to the civil service of Canada, not including part time employees, or those paid at prevailing rates?
3. Is a list of those who were compulsorily retired from the Department of the Interior on account of the transfer of the natural resources to the western provinces, still maintained in the Civil Service Commission, and is it being consulted before making new appointments?
4. How many names appear on such a list, not including those who have reached the age of compulsory retirement?

GOVERNMENT EMPLOYEES DISMISSED AND REENGAGED

Mr. AHEARN:

1. What is the total number of employees of the government at Ottawa who were employed at prevailing rates as labourers and mechanics and were dismissed since the present government came into office?
2. How many of such dismissed employees received either superannuation allowances or annuities?
3. What is the total number of prevailing rate employees of the government who have been added to the several staffs at Ottawa since the present administration assumed office?
4. How many of those dismissed were reengaged?

MOTIONS FOR PAPERS

BOARD OF RAILWAY COMMISSIONERS, VICTORIAVILLE INVESTIGATION

Mr. POULIOT (for Mr. Dubois):

For a copy of all correspondence, letters, telegrams, factums, memoranda, evidence and other papers, respecting the investigation held by the Board of Railway Commissioners at Victoriaville, May 16, 1935, and at Nicolet, May 17, 1935.

GLENWOOD AND BROWN'S WHARVES, N.B.

Mr. MICHAUD:

For a copy of paysheets in connection with labour performed at Glenwood and Brown's wharves on the Saint John river, New Brunswick, between July 1, and September 30, 1934.

ST-JOSEPH D'ALMA, QUE., POST OFFICE

Mr. MERCIER (St. Henri) for Mr. Casgrain):

For a copy of the report of Inspectors Pouliot and Beauchamp, of the Quebec postal district, with respect to the inspection of the post office at St-Joseph d'Alma, Quebec, the 6th, 7th and 8th December, 1933.

FERGUSON FLATS, ALTA., POSTMASTER

Mr. IRVINE (for Mr. Garland, Bow River):

For a copy of all letters, telegrams, reports, memoranda, and other written material passing between any person or persons and the Post Office Department, recommending the change of postmasters recently effected at Ferguson Flats post office, Alberta.

BRITISH COLUMBIA UNEMPLOYMENT CAMPS

Mr. MACKENZIE (Vancouver):

For a copy of all correspondence during the present year between any member of the

dominion government and any member of the government of British Columbia, or the mayor or any member of the city council of the city of Vancouver, or any other individual or organization, with reference to the situation prevailing in the unemployment camps of British Columbia.

BUSINESS OF THE HOUSE

Hon. HUGH GUTHRIE (Minister of Justice): Mr. Speaker, I believe an arrangement was arrived at between the Prime Minister (Mr. Bennett) and the leader of the opposition (Mr. Mackenzie King) for the convenience of hon. members to the effect that as soon as we have concluded what are known as routine proceedings we shall ask to call it six o'clock in order to give hon. members the opportunity of attending the garden party at Rideau Hall this afternoon. We have concluded routine proceedings somewhat earlier than had been anticipated. I understand however that the Minister of Finance (Mr. Rhodes) intends to ask for interim supply, and if it is the unanimous wish of the house we might proceed to take the formal motions in connection with that procedure before we ask Mr. Speaker to call it six o'clock. Government orders are to be taken at eight o'clock, by arrangement between the prime minister and the leader of the opposition.

INTERIM SUPPLY BILL

VOTE OF ONE TWELFTH OF ESTIMATES FOR FISCAL YEAR 1935-36

Hon. E.N. RHODES (Minister of Finance): Mr. Speaker, I would ask unanimous consent for interim supply providing for a vote of one twelfth, except in a few special cases where expenditures are heavier in the earlier portion of the season. If desirable I should be pleased to enumerate where an additional twelfth is being asked. I would therefore move, if I have unanimous consent;

That Mr. Speaker do now leave the chair for the house to resolve itself into committee of supply.

Mr. LAPOINTE: I understand that the leader of the opposition has given his assent to this.

Mr. RHODES: I have not conferred with the right hon. leader of the opposition, but I am informed that he has given assent.

Mr. STEWART (Edmonton): Before the motion is put I should like to have my own position clear. I was informed by the right hon. leader of the opposition what the procedure was to be, but he did not mention this. I do not suppose there would be any objection.

Mr. RHODES: I believe the arrangements were made on Friday, as a matter of fact, to ask for interim supply, but I did not move on that occasion, because the Senate will not be in session until to-morrow and it was not necessary to move at that time.

Motion agreed to and the house went into committee of supply, Mr. Morand in the chair.

1. Resolved, that a sum not exceeding $16,058,144.05, being one-twelfth of the amount of each of the several items to be voted as set forth in the main estimates for the fiscal year ending 31st March, 1936, laid before the House of Commons at the present session of parliament, be granted to His Majesty on account, for the fiscal year ending 31st March, 1936.

2. Resolved, that a sum not exceeding $1,063,339.90, being one-twelfth of the amount of each of the several following items to be voted, as set forth in the main estimates for the fiscal year ending 31st March, 1936, laid before the House of Commons at the present session of parliament, be granted to His Majesty, on account, for the fiscal year ending 31st March, 1936, namely:—

Votes Nos. 4, 5 and 17, civil government;

Vote No. 82, Hudson Bay railway;

Vote No. 89, canals, improvements;

Vote No. 106, public works, ordnance stores at Calgary;

Votes Nos. 129, 135 and 136, ocean and river service;

Vote No. 139, public works, St. Lawrence dredging;

Votes Nos. 143, 147 and 148, lighthouse and coast service;

Vote No. 158, steamboat inspection;

Vote No. 185, Royal Canadian Mounted Police;

Vote No. 202, public health engineering;

Votes Nos. 235 and 246, miscellaneous; chief electoral offices, battlefields memorial.

3. Resolved, that a sum not exceeding $82,633.33, being one-third of the amount of each of the several following items to be voted, as set forth in the main estimates for the fiscal year ending 31st March, 1936, laid before the House of Commons at the present session of parliament, be granted to His Majesty, on account, for the fiscal year ending 31st March, 1936, namely:—

Votes Nos. 102 and 107, public works, armouries Westmount and Montreal, Vancouver public building;

Vote No. 264, miscellaneous—tourist business.

4. Resolved, that a sum not exceeding $278,083.33, being one-twelfth of the amount of each of the several items to be voted as set forth in the estimates for the fiscal year ending 31st March, 1936, for Canadian National Steamships and Maritime Freight Rates Act, laid before the House of Commons at the present session of parliament, be granted to His Majesty, on account, for the fiscal year ending 31st March, 1936.

Resolutions reported, read the second time, and concurred in.

WAYS AND MEANS

INTERIM SUPPLY

The house in committee of ways and means, Mr. Morand in the chair.

Hon. E. N. RHODES (Minister of Finance) moved:

Resolved, that towards making good the supply granted to His Majesty on account of certain expenses of the public service for the fiscal year ending 31st March, 1936, the sum of $17,482,200.61 be granted out of the consolidated revenue fund of Canada.

Mr. POULIOT: May I ask the minister if this sum includes anything to cover members' travelling expenditures during the recess?

Mr. RHODES: No; that would be provided for in supplementary estimates.

Motion agreed to.

Resolution reported, read the second time, and concurred in. Mr. Rhodes thereupon moved for leave to introduce Bill No. 84 for granting to His Majesty certain sums of money for the public service for the financial year ending March 31, 1936.

Motion agreed to, bill read the first and second times, considered in committee, reported, read the third time and passed.

At 3.36 p.m. the sitting was suspended until 8 p.m.

After Recess

The house resumed at eight o'clock.

HIS MAJESTY THE KING

REPLY TO LOYAL ADDRESS OF THE SENATE AND THE HOUSE OF COMMONS

Right Hon. R. B. BENNETT (Prime Minister): Mr. Speaker, the reply of His Majesty the King to the loyal address of the Senate and the House of Commons reached Ottawa to-day. As this is His Majesty's birthday it occurred to me that this should be read to the house at the earliest possible opportunity, and that opportunity has now arrived. I now present the reply, signed by the King in his own hand:

I thank you with a full heart for the loyal and affectionate terms of your address, which was presented to me by my Prime Minister of Canada at St. James's Palace on the historic occasion on the 8th May, when the representatives of all my dominions overseas gathered to greet the Queen and myself and to offer us their united congratulations and good wishes. So long as we live the Queen and I will never forget that unique and wonderful occasion and the moving words spoken by Mr. Bennett and by those who followed him. In my reply I endeavoured to express the thoughts that filled my heart—thoughts of thankfulness, of pride in all my peoples and of my gladness that their representatives were gathered together to greet us in our home in the spirit of the family.

Your address recalls the eventful years through which we have passed; the years of war followed by years of economic difficulty and distress. History will never forget how my people of Canada stood side by side with all my other peoples when danger assailed us. At this time of thanksgiving, let us not forget those maimed or widowed by war, or those who are suffering from unemployment in these anxious years of peace. It is only by mutual help that depression can be fought, opportunities for work increased, and happiness and prosperity restored.

Your address speaks also of the changes in political relations that my reign has witnessed. Of my many causes for gladness there is none greater than that, while the bounds of freedom and self-government have been enlarged, so that Canada and the other oversea dominions have now attained the fullest nationhood, yet they remain united by a common allegiance to the crown, and the ties of friendship and brotherhood stand fast as never before. I rejoice that my silver jubilee has afforded a signal example of that family feeling. Let us keep that spirit and together fulfil that great task that is laid on all the nations of the British empire, to hold high the ideals of service, liberty and peace.

I am touched by the kind and affectionate words in which you refer to the Queen, who throughout my reign has shared my joys and my sorrows, my labours and my leisure. I thank you also for your reference to visits by members of my family; through them I am enabled to keep in close touch with the development and progress of my peoples overseas.

I thank you for your prayers, and I pray that the blessing of divine Providence may rest on my people of Canada and give them happiness and peace.

(Signed) George R.I.

HYNDMAN COMMISSION

On the orders of the day:

Hon. IAN MACKENZIE (Vancouver Centre): Mr. Speaker, this afternoon the Minister of Pensions and National Health (Mr. Sutherland) tabled a very comprehensive report by the Hyndman commission dealing with unemployment among ex-service men. Is the minister in position to disclose to the house whether the government intends to refer this report to a special committee of the house or to deal with it otherwise? ?

Hon. D. M. SUTHERLAND (Minister of Pensions and National Health): No decision has been arrived at, but I hope to make a statement in a day or two.

Mr. MACKENZIE (Vancouver): In view of the great interest taken in this report could the minister make available sufficient copies for hon. members, either by stencil or otherwise?

Mr. SUTHERLAND: Yes, I intend to ask permission to have this report printed.

SUPPLY

LULU ISLAND EROSION—STATEMENT OF MR. REID ON MOTION OF PRIME MINISTER

Right Hon. R. B. BENNETT (Prime Minister) moved that the house go into committee of supply.

Mr. THOMAS REID (New Westminster): Mr. Speaker, before you leave the chair I should like to air a grievance. Some time ago I appealed to the Minister of Public Works (Mr. Stewart) in connection with a matter which affects many farmers on Lulu island. I have received several telegrams stating that there is grave danger of flooding of their lands and I desire to draw this serious matter to the attention of the government. There is perhaps such a thing as natural erosion of lands which might be termed an act of God, but the erosion to which I now refer, involving some 5,000 acres of cultivated land and over 100 families, has been caused by the action of the Department of Public Works in closing up in 1925 and 1927 certain channels of the Fraser river, thereby throwing the current of the river against the bank of Lulu island. I know that the Minister of Public Works says it is not possible for the department to assume full responsibility in this matter, and I quite realize that no government can be held responsible for all erosion which may take place to river banks, provided of course they are natural. But the matter I am putting before the house is one where the Department of Public Works has interfered with the course of the stream, closing up one channel and so throwing the Fraser river over against the dyke lands in the municipality of Richmond. I claim that responsibility does rest with the dominion government and they should come to the rescue of these farmers. The danger is so serious that if the dyke breaks through not only will over five thousand acres of land under crop be destroyed but the whole dyking system of that district will also be completely ruined. I am again appealing to the minister and to the house to come to the assistance and rescue of the farmers and settlers in that district.

Hon. H. A. STEWART (Minister of Public Works): The hon. member has from time to time corresponded with the Department of Public Works regarding this matter and we have received telegrams from New Westminster and those interested in the situation he has described. Careful consideration has been given to these representations and the facts, as I recall them from the file, are these. These dykes were built many years ago, and long before the Public Works department made any construction or in any way undertook to control and direct the flow of the Fraser river. They were constructed by the municipalities interested, operating through a dyke commission with, I believe, powers of local assessment against the land's benefit and possibly with provincial assistance. The matter has been referred to the engineering department and they assure me that nothing that has been done by the Department of Public Works in the Fraser river has in any way contributed to the erosion that is now taking place. The responsibility appears to be provincial and municipal, and the Public Works department, while sympathetic, interested and anxious to discharge all obligations that can possibly rest upon the dominion government, feel nevertheless that they are in no way responsible for conditions as they now prevail. This house can well understand that the dominion government cannot undertake to protect private property against erosion, and the only obligation that does rest upon the dominion government is where any works have been undertaken that have been the cause of or that may have contributed to the erosion; and our engineers are very positive that nothing that has been done by the dominion government has in any way aggravated the situation or contributed to the conditions that now exist. Under these circumstances I submit to my hon. friend and to this house that the matter is one for provincial and municipal action and not for action by this government.

DUTIES ON FISHERMEN'S SUPPLIES AND REPAIR PARTS FOR IMPLEMENTS—STATEMENT OF MR. BROWN

Mr. J. L. BROWN (Lisgar): I might take this opportunity of bringing to the attention of the government certain complaints that have come to me. I had hoped that either the Minister of National Revenue (Mr. Matthews) or the Minister of Finance (Mr. Rhodes) would be present when I took this matter up, but since we hope that we are approching the end of the session, and as a fitting opportunity might not arise again, I will discuss it now. The question has reference to certain rulings of the Department of National Revenue in regard to the collection of duties. One complaint comes from Prince Rupert, and it seems to be that the Department of National Revenue is imposing a dumping duty upon certain fishermen's sup-

plies which under the Customs Act are supposed to come in free. It would seem to be a violation of the intent of the law that a dumping duty should be imposed upon these fishermen's goods which are coming in free.

Mr. BENNETT: What does that refer to—to the goods that came from Japan?

Mr. BROWN: The particular complaint is, I think, with respect to goods coming from Norway, judging from the tenor of the letter. They are certain ropes, nets and fishermen's supplies.

Mr. BENNETT: Those are from Japan.

Mr. BROWN: Another complaint is in regard to repair parts for implements. It will be recalled that some time ago we had a complaint against the Department of National Revenue with respect to the way in which repair parts were being taxed. We did secure from the minister the insertion in the Customs Act of a schedule fixing the duties on repair parts for implements at the same percentage as had formerly been levied before the tariff was revised in 1930. Under item 409q, Nos. (i), (ii), (iii) and (iv), the duties on repair parts are 10, 7½, 6, 15, 17½ per cent. These were the duties that prevailed not only on repair parts but on the implements themselves before the duty was raised to 25 per cent in the fall of 1930. There is one other implement, however, regarding which it seems that the Department of Customs has given a different ruling, and that is under section 409—farm tractor parts for repairs. I am given to understand that the department has ruled that these repair parts are subject to various rates of duty. It will be remembered that farm tractors to the value of $1,400 come in free, and under the ruling of bulletin 3383, file 128273, one would expect that the repairs for tractors would also come in free. But according to the statement made these repair parts have been taxed as follows: bolts, nuts, washers, rivets, 25 per cent and 75 cents per hundred; lock washers, 35 per cent; screws, copper or brass, n.o.p., 35 and 30 per cent; tractor gaskets, 20 per cent; cork gaskets, 32 per cent; asbestos, 25 per cent; paper, 35 per cent.

There seems to have been some confusion as to what constitutes a repair part. I do not see why there should have been any misunderstanding on that point. A repair part might be even a bolt or it might be connected with some other part but in either case the article would constitute a complete repair part. File No. 128273, dated November 12, 1927, reads:

[Mr. Brown.]

Declares that any article which constitutes a part of a part providing it requires no further fabrication and is not adapted for any other use is entitled to entry as a complete part.

I would like the responsible minister to look into this matter and see that these repair parts are admitted under the terms that seem to have been the clear intent as set forth in the law and that the departmental officials will not be allowed to override the clear intent of the law and impose higher duties on these parts.

Right Hon. R. B. BENNETT (Prime Minister): The very clear statement of the difficulties that the hon. gentleman has in mind will enable the responsible minister to make an adequate reply when the house is again moved into committee of supply. In order that the hon. gentleman's rights may be preserved, whatever may be the case, if an opportunity is desired he may go forward with any amendment he may wish to make or deal with the matter as he pleases when the responsible minister is present. I will bring it to the attention of that minister at once.

Motion agreed to and the house went into committee of supply, Mr. Morand in the chair.

DEPARTMENT OF LABOUR

Annuities Act, $85,000.

Mr. RALSTON: Is there under consideration any change in annuity rates or the maximum annuity which may be obtained by one person?

Hon. W. A. GORDON (Minister of Labour): It will be recalled that the maximum annuity was reduced from $5,000 to $1,200 a year or two ago. It is an arguable question whether it was sound ever to have raised it from the original amount to $5,000. However, that was done. The maximum is now $1,200; the rate is four per cent, and I am inclined to the view that the course of wisdom would be to keep the maximum at $1,200 with the present rate of four per cent. The success that has been attained by the government in the sale of annuities in the last year is very remarkable. I do not say this in any way commending the government or our department for their activities, but when you find that people of modest means have subscribed during the last fiscal year more than $13,250,000 to annuities that will take care of them in their old age, the plan of government annuities as at present conceived and carried on cannot be too highly commended.

In my judgment there should be no change in the plan of annuities, although I know government annuities are sold to applicants in a measure cheaper than are annuities sold by a private company. That has been the subject of debate ever since the Annuities Act was introduced in 1908; reasons and very sound ones were given at that time and have been reiterated since, but the idea of the Annuities Act was to present to those who wanted to take care of themselves in their old age something perhaps a little easier to maintain through governmental assistance by way of taking care of administrative charges than what was made available by private corporations for those who are perhaps inspired to buy annuities away and beyond that class of people to which annuities were presented in the first instance.

Mr. RALSTON: I take it from the minister's statement that there is not under consideration any idea of reducing the basis of interest yield on annuities or reducing the interest basis on which annuities are sold below four per cent?

Mr. GORDON: The question of reducing the interest yield has been the subject of very careful consideration, and at the present time the government has not in mind reducing it.

Mr. RALSTON: Or increasing the price of annuities, basing that price on a lower interest yield?

Mr. GORDON: It would be difficult indeed to forecast what the future may have in store for us, and I would not like to commit the government or any succeeding administration, if I could, to any hard and fast rule. The question of these annuities must very greatly depend upon the cost of money, the cost of annuities and all the factors that enter into the infinite complexities of insurance against old age. But at the present time the matter cannot be stated other than that the government does not intend to make any changes.

Item agreed to.

Combines Investigation Act, $22,000.

Mr. ELLIOTT: Could the minister give us by years the number of prosecutions and the fines that have been levied as a result of prosecutions under this act during the last ten years?

Mr. GORDON: I take it that the question asked by the hon. gentleman has to do with fines that have been imposed and recovered following investigations under the act?

Mr. ELLIOTT: Yes.

Mr. GORDON: The information before me discloses that the first fines were as the result of prosecutions in 1926 and that $200,000 was recovered. The figures for other years are as follows:

Year:	Fines recovered
1930	$10,000
	3,000
	4,000
	8,000
	1,000
	500
1931	$ 8,000
	1,600
	1,100
	8,000
1932	$17,500
	8,700
1933	$ 1,500
	5,000
	7,000
	5,000
	7,000
	6,000
1935	$ 5,000
	5,000
	2,000
	1,000
	500

Those were the fines collected in the years indicated.

Mr. ELLIOTT: The total for 1926 was about $200,000?

Mr. GORDON: Yes.

Mr. ELLIOTT: And nothing for 1927 or 1928?

Mr. GORDON: No. After the fines were imposed and recovered in 1926 there were no fines, as the result of proceedings, until 1930.

Mr. MACKENZIE KING: I notice that among the bills introduced by the minister is one to amend the Combines Investigation Act, which will remove the act from the administration of the minister and, as I understand it, put it under the president of the privy council as the responsible minister, the act to be administered by a commission. In these circumstances will the minister require this year the appropriation for which he asked last year?

Mr. GORDON: As I understand it the legislation to which the right hon. gentleman refers has not been introduced as yet, or at all events has not been passed, and in the interval I think we are quite justified in presenting this estimate. We may never use it, but at the same time it will be there if the occasion should require it.

Mr. MACKENZIE KING: It is just as well to have this pointed out at once. I assume the legislation will pass and that the

minister hopes it will pass. When it passes the administration of the act will be taken away from the Department of Labour and put under the president of the privy council and a commission. In that event the minister may ask us to make an appropriation for the administration of the act by the commission. However, so long as the committee understand the situation I have no further objection.

Mr. GORDON: The right hon. gentleman is not unacquainted with the history of the Combines Investigation Act, since he had a very great deal to do with it and, down the years, undoubtedly struggled hard with it. The act does present great difficulties, and I think reference to the public records will disclose that from time to time the right hon. gentleman has made it clear that these matters go forward by orderly, progressive steps. We trust that the legislation which may be introduced will be a further progressive step; certainly, while the administration may be removed from the Department of Labour in a sense, that administration by that department has presented some difficulties. This change may not be an improvement, but we hope it will be.

Mr. ILSLEY: I should like to say a word about the administration of the Combines Investigation Act. During the sittings of the price spreads commission we attempted to obtain certain reports made by the registrar, but we were told by the minister that he could not make those reports public. Several members of that commission were of opinion that there was nothing in the act to prevent these reports being made public, and I should like to know from the minister whether that is his own view or whether he is merely of opinion that he has a discretion in the matter, and whether he exercised that discretion against publicity in particular cases under consideration. In order to recall the matter to his mind I will state what one or two of the reports were. One was the report on the alleged rubber combine which was under investigation by the price spreads commission; undoubtedly that report would have been of great assistance to us. Another report was in connection with the radio business. We were unable to secure those reports, and for our assistance in considering the legislation now before the house amending the Combines Investigation Act I should like to find out whether the government takes the view that they are not permitted to make the reports public or whether they take the view that they have a discretion in the matter. In the last few years it has amounted to the same thing; we have not been able to get those reports. Speaking for myself, and I think for my colleagues on the price spreads commission without exception, we think that if this is the law at the present time it should be amended. I have just glanced over the amending act and I cannot see that the government have made any provision for making reports public in the future. If that is the case I believe that provision should be made, and I should like to have a statement from the minister in that regard.

Mr. GORDON: Mr. Chairman, the Combines Investigation Act as it exists at present does not contemplate the making public of preliminary inquiries by the registrar. The question of making public preliminary inquiries of that kind was dealt with at great length when the act was first introduced twenty-five years ago and subsequently when measures were introduced to amend it. It is quite true that investigations made by a commissioner under the act have been dealt with, in regard to publicity, as the act suggests. With respect to preliminary inquiries it has been the practice—and I think the sound practice—of all governments since the act was passed that preliminary inquiries and reports concerning the business of individuals should not be made public, and I do not think the Combines Investigation Act ever contemplated that they should be made public. The preliminary inquiry is made by the registrar, and the information given him is usually a full and complete disclosure of all the intimate activities of the individual. That being the case it always has been held, not only by this and the preceding government but by all governments since the act was passed, that publicity should not be given to an inquiry of this kind.

With respect to the activities of the royal commission on price spreads and mass buying, surely they could not have been hampered in their activities by reason of the non-disclosure of any preliminary inquiry such as I have just indicated, made by the registrar. They had the widest possible opportunity afforded them to take evidence with respect to anybody's business, and certainly they were not hampered in any way by this government. So if a report was withheld from them, which report fell within the class that always has been withheld by every government since the act was passed, I think there should be no complaint on that score.

Mr. ILSLEY: We had in our possession the reports of an investigation into the activities of the proprietary articles trade association, made some years ago.

Mr. GORDON: That was the report of the commissioner.

Mr. ILSLEY: We also had the report of the registrar. There is no distinction between that and the preliminary report about which the minister has been talking, so far as the ordinary man can see. Moreover there is nothing in the act to prohibit these reports being made public. Perhaps this is not the place to debate the matter, but I should like to ask the minister whether in the legislation amending the act he contemplates making any change in the publicity provision. If he does not, a debate will have to take place on the point.

Mr. GORDON: That will be disclosed when the legislation comes down.

Mr. RALSTON: It is down now; I call the minister's attention to Bill No. 79.

Mr. GORDON: The matter will stand over until other bills are introduced.

Mr. ILSLEY: The bill is on the order paper; a draft of it is on my file. It has been introduced and now stands for second reading. Does it make any provision for a change in the publicity provision, and if not, does the government intend to make any such change?

Mr. CASGRAIN: It does not.

Mr. GORDON: The bill speaks for itself.

Mr. ILSLEY: Would the minister at least give an answer? He may refer me to the bill and tell me to read it. Perhaps he is within his rights in doing that, although I do suggest he should be more familiar with it. If the minister does not care to answer will he tell me whether or not the government through this or any other bill intends making any changes in the publicity provision?

Mr. CASGRAIN: That is a proper question.

Mr. GORDON: I suggest this is not the proper time to go into details of other bills on the order paper.

Mr. CASGRAIN: After the election.

Mr. GORDON: The hon. member for Charlevoix-Saguenay says, "After the election"; well, after the election he will quite probably be speaking at long range.

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Mr. CASGRAIN: And the minister will, too—far away from here.

Item agreed to.

Administration, Employment Offices Co-ordination Act, $8,000.

Mr. HEAPS: Will the minister inform the committee as to the total cost of administering the employment offices throughout Canada?

Mr. GORDON: The total cost of maintaining the employment offices is associated with this rather small vote which has to do with departmental matters in the federal Department of Labour, together with a following vote for $150,000 which is authorized by statute and distributed among the provinces.

Mr. HEAPS: In addition to the $150,000, how much is provided for the employment agencies by the provincial governments?

Mr. GORDON: The total cost was $490,229.97. That amount would stand, less the federal contribution of $150,000.

Mr. HEAPS: How many people during the last fiscal year found employment through these agencies?

Mr. GORDON: The various employment offices make regular reports to the Department of Labour. During the fiscal year 1934-35 employment offices reported that they had made 385,396 labour placements, 222,719 of which were for regular employment and 162,667 of a casual nature.

Mr. HEAPS: What does the minister mean by the term "regular employment"?

Mr. GORDON: As opposed to casual employment.

Mr. HEAPS: Does the minister refer to a permanent situation?

Mr. GORDON: I do not suppose anything is permanent, but the employment provided was such that in the event of a man being normal he might stay as long as he wished. Casual employment, on the other hand is only intermittent, a job here and a job there.

Mr. SPENCER: What is the number of employment offices throughout the dominion, and how many are there in each of the provinces?

Mr. GORDON: There are three in Nova Scotia, four in New Brunswick, seven in Quebec, twenty-six in Ontario, three in Manitoba, nine in Saskatchewan, five in Alberta and eight in British Columbia.

Mr. CASGRAIN: Where are those offices situated in Quebec?

Mr. GORDON: Chicoutimi, Hull, Montreal, Quebec city, Three Rivers, Rouyn and Sherbrooke.

Mr. HANSON (Skeena): May I have the same information for British Columbia?

Mr. GORDON: Kamloops, Nanaimo, New Westminster, Penticton, Prince Rupert, Vancouver, Victoria, and Nelson.

Mr. HANSON (Skeena): How many were placed through the efforts of the employment office at Prince Rupert in the year 1934-35?

Mr. GORDON: I have not the figures separated, but I should be glad to have an officer of the department look into the matter and inform the hon. member.

Mr. HANSON (Skeena): How many were placed through the efforts of employment offices in the whole province of British Columbia in the same year?

Mr. GORDON: I shall supply the information later.

Mr. CASGRAIN: May I have the same information for Quebec?

Mr. SPENCER: Do the provinces meet any of the expenses in connection with these employment offices?

Mr. GORDON: Yes. The federal government makes a contribution of $150,000, by statute, and the provinces employ the office staffs. They are at liberty to add as much expense as they wish, and they do in fact add some.

Mr. SPENCER: I notice that Ontario has twenty-six employment offices while Quebec has only seven. Can the minister give a reason for that?

Mr. GORDON: The location of and necessity for the offices is determined by the provincial governments. The dominion government does not exercise any control over the opening or the maintenance of employment offices. It is a provincial matter.

Item agreed to.

Fair wages and inspection, $11,000.

Mr. HEAPS: From time to time I have received complaints about the wages paid on government contracts. As I am not aware of what method the government adopts respecting the enforcement of the fair wage clause in government contracts I should like the minister to tell me what the Department of Labour does to see that that clause is properly observed in all government work.

Mr. GORDON: The Department of Labour is asked by other departments of the government to outline what the wage schedule shall be on any federal government undertaking. The Department of Labour determines what those wage scales shall be and they are incorporated in the contracts of those who are carrying on works on behalf of the federal government. In order that there shall be no departure from the terms of the contract and that the schedule of wages outlined shall be adhered to, the Department of Public Works acting in conjunction with the Department of Labour withholds from the contractor a percentage in each case until the contract is completed so that if there is any bona fide complaint against the contractor that he has departed from the schedule of wages established in the contract there will be moneys available in order that those who may have suffered injury by reason of such delinquency may be taken care of out of the contractor's money. That is the practice that has been pursued, and so far as I know—and I have been very closely in touch with the matter—it has not been departed from.

Mr. HEAPS: How many inspectors has the government to see that the fair wage clause in government contracts is being lived up to?

Mr. GORDON: At the moment I have not the number of inspectors at hand, but I shall probably be able to supply some information in that regard in a moment or two. The department, however, not only has recourse to those who come under this particular vote but if occasion arises may refer for information to other labour departmental officials scattered across Canada. Those employed directly under this vote number four in all, but as I say the department refers to many sources of information, not merely those connected with government activities but to those interested in seeing that the schedule of wages is not disturbed. Frequently reference is made to labour organizations.

Mr. HEAPS: The minister has stated that he waits for a complaint to come in before action is taken by the government. I think most hon. members realize how difficult it is at times for those who are being discriminated against through the payment of low

wages to lay a complaint in regard to the conditions under which they work. I observed from the evidence given before the price spreads commission that some of the most scandalously low wages were being paid by persons who were working on government contracts. I am not blaming the government entirely for that state of affairs, because in the case I have in mind at the moment the original contractor sublet the contract, and it was sublet a second time. It may be extremely difficult for the government to keep track of contracts that are thus sublet, and it is for this reason that I want to see the government strictly enforce the fair wage provisions of all contracts that it lets; because I believe that when a government lets a contract the goods should be manufactured or produced under such conditions that a government would approve. I am not sure, Mr. Chairman, that this vote is not too low; I do not know whether the government have enough inspectors, because if we have to wait always for the person who is employed at low wages to disclose that condition, it will be an extremely difficult task for us to hunt down the shops and factories which are paying extremely low wages. For that reason I asked the minister what steps the government takes to see that the fair wage clause is enforced. He informs the committee that all they do is to wait for a complaint to come in, and then I presume the government takes such action as they see fit. I know of cases where there have been refunds to the employees who have been underpaid, but what I would like to see is such a strict enforcement of the clause enacted by the government that it will be impossible for an employer of labour to evade it on any government contract; and that ought to be applicable specifically to employers who obtain a contract and then sublet it, and where the goods are subsequently manufactured under what are called sweated labour conditions.

Mr. FRASER (Northumberland): Following the remarks of the hon. member for North Winnipeg (Mr. Heaps) with reference to the fair wage clause on government contracts, may I say that although a fair wage clause may be embodied in the contract that clause does not apply the same in Ontario as it does in the province of Quebec. I am referring to contracts made by the Department of National Defence for clothing supplies for the unemployment camps. Those contacts are let at such a low figure that no legitimate manufacturer can manufacture the goods under the minimum wage laws of Ontario and compete. I am under the impression from investigation that the minimum wage clause inserted in government contracts is being overridden in the province of Quebec, forcing Ontario manufacturers who tender on these contracts to go to extreme measures to lower their costs. It seems to me that the Minister of Labour should make it his business to see that these contracts are not let at sweated labour prices, because that simply forces the manufacturer into a very awkward position, and as I said a moment ago into a position where he is bound to try to get around the fair wage clause in some way.

I should like in this discussion of the fair wage clause to make reference to another branch of government service. I refer to the wages received by rural mail carriers who tender on competitive contracts for certain routes. The per hour rate that is being received by government employees under competitive contracts on rural mail routes is absolutely scandalous. In many cases it is not sufficient to maintain the equipment. In addition often under the contract price, the rural mail carrier receives about ten cents an hour for the time that he actually puts in on his route.

Mr. GORDON: The rate has always been scandalous.

Mr. FRASER (Northumberland): I am not questioning that. I am looking for some method of correcting it.

Mr. GORDON: It was scandalous even in good times.

Mr. FRASER (Northumberland): I quite agree, but simply because it has been scandalous is no reason why it should continue to be scandalous, especially in view of all that has been stated in the last year before the royal commission on price spreads.

Mr. GORDON: We are all getting better.

Mr. FRASER (Northumberland): Permit me, Mr. Chairman, to cite one case I have in mind, which is authentic and quite definite. One rural mail contractor has to cross twice a day a sheet of open water about three miles wide, maintain his equipment, and make the trip 312 times a year in all kinds of weather, and sometimes at the risk of his life, for less that twenty cents an hour. May I be permitted to urge upon the Minister of Labour as earnestly as I can that, whether the present method is right or wrong he take some steps to see that the minimum wage remuneration shall be applicable to those who are carrying the rural mail in Canada.

Mr. POULIOT: Referring to what has just been said about mail contracts, it is undoubtedly true that the contracts are often awarded for rural mail delivery at a very low figure. Not only that, but the lucky man who gets the contract often does no work on it himself but sublets it to a poor slave who has to work for half the price, and the original contractor gets the difference for doing nothing, just because he got the contract. There are many such cases of privileged so-called mail carriers who carry nothing but their cheques and have the mail delivered by another person. Such cases occur quite frequently, and I draw the attention of those concerned to the matter.

Fair wages should apply not only to the labour employed directly on the contract but to the labour employed indirectly in the manufacture of the materials used. Suppose a firm has a contract to construct a post office terminal in Montreal and the contract contains a fair wage clause. Fair wages may be paid to the men who are working directly on the building, but perhaps not in the case of different materials needed. The contractor, who may want to obtain his cut stone as cheaply as possible, goes to a quarry and offers a price. In order to meet that price it is necessary for the owner of the quarry to work his men under sweatshop conditions. The contractor who is really acting for the government forces the owner of the quarry to pay very small wages to men who must work like slaves. I direct the attention of the minister to this matter.

I would direct the attention of the minister also to the wages paid to lumberjacks. A few years ago these men were able to go into the woods for a few months in the winter and come back with a few hundred dollars. In some cases three or four members of a family would go into the woods and they brought back considerable money. Why was that possible? Because decent wages were paid. It is different to-day. I have personal knowledge of several cases where lumberjacks have returned after a winter's work with only a few cents in their pockets. Many others have had to beg their way home; they had nothing to show for their work. I am convinced that even though the price of pulpwood is increased through government intervention it has no effect upon the wages paid. A delegation of pulpwood magnates interviewed the government last year in connection with the price of this commodity, but I think it is a great mistake to give concessions to these men without making sure that better conditions will prevail for the workers. I believe that whole meeting was pure bluff. They stated that if they received a higher price for their pulpwood they would pay higher wages to the men, but this was not done. One company refused to accept the agreement and the prices of pulpwood and newsprint fell immediately and the men were no better off than they were before. During the last elections these men were told that it would make no difference if more had to be paid for agricultural implements and other things like that because the workingman would receive higher wages under the new government. The results have shown that that was an illusion. The government should try to remedy this matter.

There is another matter I should like to take up in connection with the concentration camps where the men receive a wage of twenty cents a day. What is the use of talking about minimum wages when this small amount is paid to these men?

Mr. GORDON: It is not a wage and it was never intended to be a wage.

Mr. POULIOT: It may be a gratuity, but whether it is called a gratuity, an indemnity or a salary, it amounts to the same thing. I admit that the men also are fed, but the food is much better on the days the inspector arrives than it is on ordinary days. I do not want to be hard on the minister but I must bring these matters to his attention. It is ridiculous to talk about minimum wages when the men in these camps are being paid only twenty cents a day. This is an important matter, but I shall not insist upon it too much if the lumberjacks are treated better. I do not blame only the minister for this but I think he should see that something is done in order that better conditions shall prevail.

Mr. FRASER (Northumberland): The minister says that he does not call the twenty cents a day received by the men in these camps a wage; he may call it a dole or a gratuity, but is he cognizant of the fact that these men work eight hours a day on the construction of public works? Surely the twenty cents per day plus their clothing and food is a wage. I am not a constitutional lawyer, but in my opinion the Minister of Labour is permitting this legislation to be infringed upon or nullified by having these unemployed men used on the construction of public buildings and paying them only twenty cents per day plus food and clothing. How can this or any other government expect business to adopt ethical practices, through legislation or otherwise, when this government is contracting for clothing manufactured under

sweatshop and unfair competitive conditions? I know of one contract for mackinaw coats which was let to clothing manufacturers in two different provinces and which netted, exclusive of overhead, less than thirty-eight cents for labour. The same applies to the clothing contracts being let by the Department of National Defence for trousers, caps and so on, for use in the unemployment camps. The dominion government—I am not particularly interested whether it is this government or some other government—are letting contracts which have been obtained under the most unfair competitive methods known to the trade.

While I realize that it is not within his jurisdiction may I ask the minister whether he will investigate the conditions that exist to-day under which the rural mail service is carried on, from the local post office to the boxholder. Whatever may have been the state of affairs yesterday, the fact is that conditions to-day are scandalous, and before this or any other government can expect the business men or the manufacturers of the country, either by legislation or otherwise, to improve their methods in relation to labour, it must clean its own house.

Mr. CASGRAIN: I think we should have some further explanation from the minister. He was not in this house during the last days of the last session of the last parliament, but I can well recall that in 1930 hon. gentlemen now occupying the treasury benches were on this side of the house, and for four or five days in one session they took part in a protracted debate in favour of the poor mail carrier and rural mail contractor. They pleaded for the poor man in the country who was getting only a few cents for each trip. The present Minister of Justice (Mr. Guthrie) and the present Minister of Public Works (Mr. Stewart) were quite eager then to have the Post Office Department and the government of that day given an undertaking that adequate remuneration should be given these employees of the government. Now this government has been functioning for five years and apparently the only answer we can get from the minister when we point out the condition that prevails is the statement that contracts are given to the lowest tenderer. This government has inaugurated, we have been told, a new order of things since the new year, and we hear great talk about reform and new deals all along the line. We have been told time and again that things will be changed throughout the country so that no one will be allowed to suffer. Well, I want to bring this government face to face with the present situation and to remind my hon. friends opposite of the attitude they took five years ago, when they were all in favour of helping the rural mail contractors and everyone else who did any work for the government. My hon. friends at that time advocated a better standard of living for everyone and urged that these employees in particular should be enabled to earn more money. To-day they face an election with the same situation existing and nothing has been done. They promised that if they were returned to power they would look after the mail contractor; they would see that justice was done. Why have they not done anything during the five years they have been in power? I am surprised that the minister has nothing better to offer than the statement that contracts are given to the lowest tenderer. If the condition that existed five years ago was unsatisfactory then why has not the government altered it, with all its talk about reform and new deals? I leave it to the country to judge.

Mr. GUTHRIE: When I moved in this house in the year 1929, I think—

An hon. MEMBER: 1930.

Mr. GUTHRIE: —1930, that there should be a change in the remuneration paid under the contract system—and if I remember rightly it was that the rural mail carriers should be taken from the contract basis and put on the mileage basis—had that motion carried it would have been done. But my hon. friend from Charlevoix-Saguenay and those around him voted it down; they beat us.

Mr. CASGRAIN: Why did you not do it?

Mr. GUTHRIE: They beat us on that vote. My motion was made at a time when the treasury was full of money—

Mr. CASGRAIN: That is a great answer.

Mr. GUTHRIE:—but now we have struck a depression and hard times, and our policy is to establish the mileage system as soon as financial affairs throughout the country will permit. But my hon. friend from Charlevoix-Saguenay voted down the proposal and so did all the members of the Liberal party then in the house. They said, no, they would not allow it.

Mr. CASGRAIN: Possibly the motion was voted down under the circumstances.

Mr. GUTHRIE: There was a division on it.

Mr. CASGRAIN: My hon. friend and those who led the opposition at that time wanted to have the condition put before the country. At that time what they were doing was playing politics.

An hon. MEMBER: What are you doing?

Mr. CASGRAIN: I am not playing politics to-day more than my hon. friends did in those days. I want to bring this government face to face with the situation that exists to-day. In 1930 the Minister of Justice advocated a certain thing; he said it was necessary and should be done. To-day he accuses me of having been one of those who defeated his motion. In those days, of course, they were catering for the votes of the people. The Minister of Justice says to-day that at that time the treasury was full, and that is true; but since the Tory party has been in power five years the treasury is empty. It is always the same story. When the Liberals are in power they fix things nicely; there is abundance.

An hon. MEMBER: They have Beauharnois.

Mr. CASGRAIN: But when the Tory party comes in, within a year or two the treasury is empty and we are up to the neck in debt. We are loaded down with debt.

An hon. MEMBER: And titles.

Mr. CASGRAIN: And titles too. To-day the position is this. This government, which must soon face the electorate, made promises in 1930. They declared then that things would be changed; no one would suffer; no one who was willing to work would go without work, and every man would get six days' employment in the week; there would be money in everybody's pocket. The Minister of Justice in those days wanted the mail carriers to get more money. Well, have my hon. friends done it? No. Are we not justified therefore, can we be charged with playing politics, when we remind the government of their sins of omission and commission in these five years? The answer the Minister of Justice has given is a poor one, and the answer the Minister of Labour makes is poorer.

Mr. GORDON: I rise to protest. My hon friend says my answer was poorer than the answer given by the Minister of Justice. I have not answered yet.

Mr. CASGRAIN: My hon. friend knows how to take it; he is a good sport. If it was wrong in those days not to give proper remuneration to these employees, surely it is as bad if not worse for this government to refuse to-day to do something for them, when people are starving and when in the rural districts a few dollars more to a mail contractor would mean quite a lot. The government has been remiss in its duty in the last five years; it has not done the proper thing by the people of the country, and when the day of reckoning comes hon. gentlemen opposite will be put where they deserve to be.

Mr. SANDERSON: This question of remuneration to rural mail carriers is very interesting. The Minister of Labour was not in the house in 1930 but the present Minister of Railways was. The Minister of Justice, who has just left his seat and gone out, was in the house then. I have a recollection of a speech—I have sent out for a copy of Hansard; it may not be here for a few minutes—that the present Minister of Justice made in the session of 1930 when he almost shed tears as he sat over on this side.

An hon. MEMBER: He did shed tears.

Mr. SANDERSON: Yes, I believe he did, in regard to the starvation wages that the poor rural mail carriers were getting under the former administration. Moreover, the speech that he delivered on that occasion was sent out among the tons of campaign literature that was sent from Ottawa on behalf of the Conservative party in 1930. That is not the whole story. The famous speech made by the present Minister of Justice on rural mail carriers was printed and was sent to every rural mail contractor in the Dominion of Canada, along with the printed promise, one of the many, many promises that the Conservative party made in 1930, that if the King government of that day were turned out of office and a Conservative government came in, every rural mail carrier would automatically have his contract cancelled and be put upon a basis of so much per mile per annum.

This is not a new question at all. It was one that was debated very many times in the session of 1930, and I want to point out now to the Minister of Labour that if he will take the trouble to look over the rural mail contracts, especially in Ontario—and I think the same thing will apply to all the other provinces—he will find that as regards the contracts which have expired under this government since 1930 and have been advertised for tenders, in many instances the contractor of to-day is getting at least a fifty per cent lower rate for the work he is doing than he was getting in 1930.

Mr. GORDON: That much?

Mr. SANDERSON: I think on the average it would be at least fifty per cent. The present Minister of Justice, who has just left his seat, said at that time: Why did the late King government not raise the price to the rural mail carriers? The price at that time was on a fair basis, but purely for political purposes the opposition of that day under the leadership of the right hon. gentleman who is now Prime Minister and of the hon. gentleman who is now Minister of Justice, advocated higher rates and promised—and all their followers cheered and banged their desks—that when they came into power they would abolish the contract system altogether and put the rural mail contractors on a basis of $70 per mile per annum.

Mr. McGIBBON: They are on a basis now of so much per mile.

Mr. SANDERSON: They are not; they are on a tender.

Mr. McGIBBON: Yes, but if the tender exceeds the price of so much per mile, they are not paid it.

Mr. MERCIER (St. Henri): What you give with one hand you withdraw with the other.

Mr. SANDERSON: I was wrong about the date of the speech of the present Minister of Justice. I said that it was in 1930, but apparently it was in April, 1929. The Conservative party were just beginning then to make their promises of what they were going to do if they got into power in 1930. The Minister of Justice made his speech on April 16, 1929, as reported at page 1612 of Hansard of that year. I shall not attempt to read the whole speech, but I shall read a portion of it.

Mr. ARTHURS: I rise to a point of order. I have listened very attentively to this debate, and I would submit that it is entirely out of order, the item before the committee being "fair wages and inspection" under the Fair Wages Act. Under that act the government has control only of wages on public works—

Mr. CASGRAIN: This is public works.

Mr. ARTHURS:—not on post offices or anything of that kind. That is controlled by the Post Office Department.

Mr. MACKENZIE (Vancouver): We are discussing the whole principle of fair wages.

The CHAIRMAN: I think it still comes under the rule.

Mr. SANDERSON: I mentioned a moment or two ago that the speech of the Minister of Justice was printed and sent out to all the rural mail carriers. That was not all that was done at that time. A special letter, under the signature, I think, of the then chief organizer of the Conservative party, went out to the rural mail carriers of this country.

Mr. MACKENZIE (Vancouver): On blue paper.

Mr. SANDERSON: Yes, on blue paper. This letter went on to say that the Conservative party were grieved and sorry that the rural mail carriers of this country were working for starvation wages, but that if they would see to it that there was a change in government, that is, if they would vote against the Liberal party, the Conservatives pledged their solemn promise that when they got back to power one of the first things they would do would be to raise the pay of rural mail carriers and it would be on a basis of $70 per mile per annum. I am sorry the Minister of Justice is not in his seat because I want to read just a portion of the speech which he delivered in the house on April 16, 1929, when the house was in supply and discussing rural mail contracts. This is what he said:

> The system which was adopted in the first instance in regard to these rural mail routes was one based on tender and contract. Certain routes were publicly advertised, tenders were called, and as a rule a fairly large number of tenderers responded to the advertisement in the hope of securing occupation as mail carriers in the rural parts of Canada. I suppose that lack of experience had something to do with the unsatisfactory conditions which attended the first tenders and the first contracts, but as time has gone on, conditions instead of improving have gradually become worse until to-day we find a system established throughout practically the whole length and breadth of this country under which certain men who are practically employees of this government—

And I want the Minister of Labour to listen to this particularly.

> —and of this country, for the purpose of carrying His Majesty's mails, are not receiving an adequate return for the services they perform. Indeed, so inadequate is the return to our rural mail couriers that the matter has become nothing less than a public scandal. Year after year this matter has been brought to the attention of this government and of the present Postmaster General during the discussion of the post office estimates. Year after year the rural letter carriers have requested that their claims be considered and that they be treated on some fairer basis and on some higher standard than anything they have enjoyed hitherto.

Now, the situation I will briefly describe as follows. The figures which I give, it must be understood, will be only average figures; I cannot go into particular cases; but I find that in the report of the Postmaster General for the year ending March 31, 1928, the total cost to the dominion for the "conveyance of mails by ordinary land" is $6,291,180.52. I have been informed by officials in the Post Office Department that this item includes the cost of all the rural mail routes, of all the stage routes, and all the routes known as station-to-post office routes; these are all referred to under one item as "conveyance of mails by ordinary land." Just what part of that single item is devoted to the delivery of rural mail I am unable to say with precision; I can only form an estimate, but information has been given to me that the number of established routes to-day is 4,007, and it has been represented that the average route in Canada at the present time is one of twenty miles. Some routes are a little more than this, some a little less, but as an average twenty miles is supposed to be about right. The average pay for a courier who travels that route of twenty miles is according to my informant in the department, about $800, although according to a statement which I have received from the Letter Carriers' Association the average amount which each carrier receives is only $720. I am taking the higher figure of $800 for a twenty-mile route, which would be payment to the courier at the rate of $40 per mile over a period of a year.

I need not take up the time of the committee in reading further, but the hon. gentleman goes on to advocate a flat rate of $70 per mile per year. Then he deals with some figures in regard to maintenance; he gives the prices of hay, oats and bran; he gives the cost of horseshoeing, mentions depreciation and so on. All told he makes out an excellent case for the poor rural mail carrier of that time, and then he goes on to make the definite promise that if the Conservative party should get into power in 1930 they would immediately raise all mail carriers to a basis of $70 per mile per year.

I think the Minister of Labour should investigate this question and should give it his careful and serious consideration. If he will take the trouble to secure from the Post Office Department the average rate paid the rural mail carriers of this country he will find that it is far below the minimum wage paid to ordinary labourers.

Mr. FRASER (Northumberland): As a member of this committee I feel it my duty, following other hon. members who have spoken and having regard to the remarks of the Minister of Justice (Mr. Guthrie), to bring the debate on this question up to date. What happened in 1929 is a matter of record; what has not happened since with regard to rural mail carriers is also a matter of record. Permit me to remind the Minister of Labour that we are now living in a new era, that the right hon. the Prime Minister of Canada (Mr. Bennett) has made the statement that the old order is gone. The right hon. gentleman has said that the day of the open market place is largely gone and that the day of unethical practices and unfair competition is past. Let us start from that; let us adopt that new order; let the Minister of Labour see that the Post Office Department pays something better than starvation wages to our rural mail carriers. Let me add to what I have said in connection with the new order, or the old order having gone, that until the government of Canada, the largest employer of labour in this country, adopts fair, ethical business practices in connection with competitive contracts and payment for public service they need not expect any desirable result to accrue from howling from one end of this country to the other that the old order is gone and the new order is in vogue or from anything else; they need not expect any improvement while they continue to set this sort of example to the people. Therefore I should like to suggest to the Minister of Labour that he make it his business, under the jurisdiction that is given his department, to see that the rural mail carriers get a square deal.

Mr. GORDON: What would you suggest?

Some hon. MEMBERS: You are the doctor; you prescribe.

Mr. GORDON: I thank the hon. gentlemen for their very informative replies.

Mr. FRASER (Northumberland): The minister has asked me a direct question, and I feel honoured. Permit me to reply that after the next election the incoming government will inaugurate a policy that will provide a fair return for the service rendered by the rural mail carriers.

Mr. MANION: Just to complete the record, Mr. Chairman, I looked up the motion as moved by the present Minister of Justice (Mr. Guthrie) when he was in opposition. It reads:

That all the words after the word "that" in the motion be struck out and the following substituted therefor:

"in the opinion of this house the present system of awarding contracts for the delivery of rural mail by tender has proved unfair, burdensome and unsatisfactory—

That is what my hon. friends say to-night.

—and that such rural mail carriers should be appointed by the civil service commission upon a permanent basis with a definite rate of pay—

Again that is what my hon. friends say.

—based upon mileage and the physical conditions of the territory involved, having regard to the amount paid to the other servants of the government for similar employment."

When the vote was taken two of the active gentlemen opposite voted against that motion; I refer to the hon. member for South Perth (Mr. Sanderson) and the hon. member for Charlevoix-Saguenay (Mr. Casgrain), the whip of the Liberal party. My hon. friends know I never criticize; I merely make this statement in order to keep the record straight. Incidentally the vote against the motion was 106, all of them Liberals, so far as I can see; the vote in favour was 70, all of them Conservatives, so far as I can see.

Mr. CASGRAIN: May I ask a question? Was that a vote of want of confidence in the government?

Mr. MANION: No, it was merely an amendment on going into supply.

Mr. GORDON: So I would suggest that both parties have been wonderfully consistent.

Mr. HEAPS: This only goes to show, Mr. Chairman, how virtuous all oppositions are and how full of vice they become when they are on the government side. There is one point I should like to bring to the attention of the minister, and I should like to go back to the matter I raised in the early part of this discussion. I refer to the question of the wages paid on work done under government contracts, and what can be done by the government to enforce the payment of fair wages. I know the conditions under which some of these contracts are let. In one instance which came to my attention, the manufacture of trousers, it was stated that after the goods had been paid for, only 17 cents per pair was left for wages and overhead expenses. Obviously it was impossible for the manufacturer to pay his overhead and decent wages out of that allowance, and as a result the wages were cut down. With the number of inspectors available it would be almost impossible for the government to make any close inspection of all the places where government work is being done to see that fair wages are being paid. I would suggest to the minister, however, that where government contracts are being let they insist that a sworn statement of the wages paid be submitted to the government, and that these lists be carefully scrutinized by the Department of Labour. Many of these contracts are sublet; in fact I belief that happens in most cases, and this would give the government some idea at least as to what was being done under the contracts after they were let. I should like to ask the minister if he would be prepared at this time to inaugurate a system which would provide that all contractors in receipt of government contracts be compelled to furnish the government with sworn statements of the wages paid under such contracts. May I have an answer from the minister?

Mr. GORDON: The course followed by the Department of Labour is to see that the fair wages clause is carried out, so far as possible. I can readily understand that possibly in the purchase of clothing or some other material there may be an evasion but despite that it is the policy and the endeavour of the department to see that fair wages are paid not only in the erection of buildings but in connection with the purchase of supplies. I am hopeful that under legislation presented to parliament greater powers may be given the federal government, and that there will be a clearer recognition of the duty to see that within the competence of parliament a lead may be given in demonstrating that fair wages are imperative not only in building trades but in the preparation of supplies and materials. I am aware that at times a condition has developed, one which I do not believe is general, which has indicated that fair wages have not been paid in certain trades, and particularly those trades in which needle workers and allied working people are engaged.

It has been the endeavour of the Department of Labour to check on these matters; in fact, that is what the department has been set up to do. As Minister of Labour I am just following the course pursued by ministers who have preceded me, although I believe I may fairly state that at times I have been somewhat more vigorous than my predecessors. I trust that we shall be clothed with authority to impose greater and severer restrictions upon those dealing with the federal government to ensure a standard of fair and reasonable wages to those employed in government works.

Mr. HEAPS: In a way the statement of the minister is satisfactory, but—

Mr. GORDON: I did not expect it would be totally satisfactory. Do not misunderstand me.

Mr. HEAPS: The minister may have the finest laws he could wish, but unless those laws are properly administered they are of very little use. I was suggesting to the minister a practical way out of a difficulty which I believe manifests itself from time to

time in the letting of government contracts. In years gone by both Liberal and Conservative administrations have adopted a similar practice in connection with private bills approved by parliament. When private bills for the building of international bridges were before us we inserted a wage clause, and so far as the Canadian side of the bridge was concerned we compelled the contractors to supply the government with information respecting the purchase of goods and the wages paid. If that practice has prevailed when private contractors have sought privileges from parliament, is there any good reason why a similar provision should not be inserted in government contracts? If we insisted upon a manufacturer or producer of goods supplying the government with a sworn statement as to the wages paid by him in the manufacture of those goods, would we be doing any harm?

Mr. GORDON: We are doing that now.

Mr. HEAPS: The contractor produces a sworn statement to the department?

Mr. GORDON: Yes.

Mr. HEAPS: Is that examined subsequently by government officials?

Mr. GORDON: Yes.

Mr. HEAPS: If that is so I have very little to add, because I am told that what I am suggesting is to-day an established fact. I hope the conditions which in the past few months have revealed themselves and which have to-night been mentioned by other speakers, the payment of miserably low wages will henceforth be a thing of the past so far as government contracts are concerned.

Mr. GORDON: The hon. member for North Winnipeg (Mr. Heaps), who is one of the foremost proponents of labour, will find that in all factories rates of wages must be posted in a prominent place. The Department of Labour requires a sworn declaration from all those who work on government contracts, and the contractors do not receive the balance of their money until they satisfy departmental officials that the schedule of wages set out has been complied with.

Mr. SANDERSON: I should like to say a word or two in reply to the Minister of Railways (Mr. Manion) who, I am sorry to say, has vacated his seat. The minister has stated that on the vote in 1929 concerning rural mail delivery I voted against the resolution. That was a resolution placing the rate on a basis of $70 per mile. I did vote in that way, and I have no apology to make.

I would point out to the committee, however, that in 1929, the average rate of pay to rural mail carriers was very much higher than it is to-day. The rate was on a standard which permitted each contractor to obtain a fair return. I will not say those carriers were being overpaid, but they were paid fair wages for the work done. But under conditions which have existed during the last five years the pay of the rural mail carriers has decreased by at least fifty per cent.

Some hon. MEMBERS: No, no.

Mr. RYERSON: I should like to hear the hon. member prove that statement, because I know it is not true in my constituency.

Mr. SANDERSON: The hon. member for Brantford City (Mr. Ryerson) has said that statement does not apply to his constituency, and I must accept his word. In the constituency I have the honour to represent, however, I could indicate contracts let by tender through the Postmaster General where the price has fallen forty per cent, fifty per cent and sometimes almost sixty per cent below the price paid prior to 1930.

Mr. MOORE (Chateauguay): On their own tenders.

Mr. SANDERSON: The hon. member says, "On their own tenders"; yes, but he forgets that under the government he has supported every man in Canada has been glad to get a little work at any price, and these men have been glad to cut their prices.

Mr. MOORE (Chateauguay): That does not prove anything.

Mr. SANDERSON: Yes, it proves that this government has not been functioning to the advantage of the people.

Mr. MOORE (Chateauguay): You do not believe that yourself.

Mr. SANDERSON: I am not going to enter into a controversy this evening with hon. members opposite, but if ever there was a party which asked for the votes of the Canadian people, which made wild promises and then fooled those people, it was the Conservative party of 1930. I have no apology to make for my vote which is recorded as the Minister of Railways and Canals has indicated.

Mr. SHAVER: Don't explain it, then.

Mr. SANDERSON: If the hon. member does not wish to hear the explanation he may leave the chamber so far as I am concerned. The government has not a leg to stand on so far as rural mail delivery is concerned, nor can they substantiate the promises made during the campaign of 1930.

Mr. KENNEDY (Winnipeg): I should like to refer to the enforcement of fair wage laws about which the hon. member for North Winnipeg (Mr. Heaps) has spoken. I agree that while it is essential to have laws on the statute books it is equally if not more essential that they be adequately enforced. In connection with tendering upon government contracts the custom has been to ask for public tenders, and all who will may tender. I suggest that the government, with a view to enforcing the payment of fair wages by those who fulfil government contracts, take into consideration the establishment of what might be called a "white" list. I am not suggesting a "blue" list or a "red" list, but a "white" list. By that I mean that before a contractor or supplier be permitted to tender upon a federal contract he be required to first establish, not what he will promise to do in the future, but that he has been paying a fair wage in the past. It is easy enough to promise what will be done in the future, but unless the contractor has established a name for paying fair wages he should be refused the right to tender. If such a method were followed we could establish a white list or fair list of those who wish to contract with or supply materials to the government or otherwise enter into government contracts.

Mr. VENIOT: Mr. Chairman, perhaps it might not be out of place for me to have a word to say on this question of rural mail contracts. I will remember how bitterly I was assailed as Postmaster General in 1929 because the government was not paying adequate wages or salaries to those delivering the mail in the rural districts. I remember at that time the motion moved by the present Minister of Justice (Mr. Guthrie), laying down the principle, and I remember also that the then leader of the opposition, now the Prime Minister of Canada, laid it down as a part of the policy of the Conservative party that if that party came into power—this was along the line of the discussion—they would see to it that proper remuneration would be paid to the rural mail carriers. It was advocated at that time that they be placed on the same basis as the mail delivery men in the United States. It was my privilege then to point out that it was impossible owing to the sparsely settled territory in Canada for us to adopt a system similar to that in the United States. I also pointed out that I had been reviewing the whole situation with the object of endeavouring to find some better system of remuneration for the mail carriers in our rural districts. While I felt the system of the United States could not be adopted in Canada, paying on a mileage basis at a figure which the present Minister of Justice suggested be fixed at $60 or $70 a mile, I stated that with the officials of the department of which I was then head I was reviewing the situation with the object of attempting to inaugurate in this country a minimum tender system. That is, an estimate would be made of what a twenty-mile route or a thirty-mile route or a forty-mile route might cost, and then the department would fix a minimum below which no tenders would be received. But that suggestion which I made was met with derision by members of the then opposition, who claimed that it was a system which I desired to put into practice in order to give the Postmaster General of that day absolute control of the tender system.

Be that as it may, the matter was still under consideration when our friends opposite came into power in 1930, and although they had made promises, although they had circularized from the headquarters of their organization in Ottawa every mail contractor in the Dominion of Canada, once they got into power they never attempted to put into practice the system embodied in the resolution moved by the present Minister of Justice.

It has been said that the present government has permitted tenders to come in, and has accepted those tenders, at figures a great deal lower for the same mileage than the contracts existing prior to 1930 and contracts continued after 1930 up to their termination. In 1933, I think it was, I asked for a return of the mail contracts awarded since the present government came into power, and I found that in New Brunswick alone the contracts renewed under the tender system under this government were $30,000 less than what the former contracts had been. I found that in Prince Edward Island the figure was some $11,000 less on these renewed contracts. I found by the return brought down by the Postmaster General that the ordinary mail land service had been reduced over a quarter of a million dollars per year under the tender system. Now if it was wrong, and I was severely criticized in 1929 and 1930 for not giving proper remuneration to our mail contractors, how much more should the present government be criticized when it is shown that in the province of New Brunswick alone the contract system under this government reduced the remuneration to mail contractors renewing their contracts by over $30,000 in the year 1933.

But let me go further. Not only was the department of the Postmaster General satis-

fied with accepting lower tenders, tenders far below the figure for which the same mail service had been performed under the previous government, but the system that prevails under the Post Office Department to-day is such that when a number of tenders come in for a mail contract in a rural district and the tender submitted by the old contractor is somewhat above the figure submitted by a new tenderer, the old contractor is written to and asked if he will not lower his tender to meet the figure of his competitor. In many cases the former contractor, desirous of still having the mail contract awarded to him, is driven by that fact to lower his tender so that it will be equal to or a few dollars below the lowest tender that has been submitted. That system should not prevail. Under the Post Office Act we were compelled to accept the lowest tender no matter who the tenderer might be but during the last few years this act has been set aside and the lowest tender is not always accepted. I feel that a contractor who has given satisfaction should have every opportunity of having his contract renewed under the tender system provided he is on an equal basis with the other tenderers. I deprecate the idea that because another tenderer happens to be lower the old contractor should be asked to go still lower in order to obtain the contract. Had I had the honour of continuing as Postmaster General after the 1930 elections I would have brought before the house, as I said I would in 1929, some system whereby mail contractors would be placed upon a more equitable basis and receive a more equitable remuneration for their work. I believe the system which I advocated at that time is better than the present contract system.

To attempt to establish in Canada a system similar to that in effect in the United States would be very impracticable. On the basis of the 1929-30 cost such a system would cost at least $7,000,000 to $8,000,000 more than the figure for that year. I do not intend to labour the matter, but it appears as though the chickens were coming home to roost. When the estimates of the Postmaster General were up in 1929 hon. friends opposite debated this question. Promise after promise was made but the promises have not been carried out. Whether this was because of financial inability makes no difference to me at the present time. Hon. gentlemen opposite made the promises, and five years after they assumed the reins of office is too late to come forward and say, "We cannot carry out those promises because the financial condition of the federal treasury will not permit." In 1929 they seemed to depend a great deal upon the mail contractors' association for the information upon which they based their argument for a $70 per mile system, and they should have been fair enough to make known to that association at an earlier date that they were not able to carry out the promises made in 1930.

Mr. FRASER (Northumberland): Is it consistent with the laws governing the Department of Labour that men in the unemployment camps should be employed on the construction of public buildings and receive only twenty cents per day plus maintenance while within a few miles other men are employed on the construction of government buildings under the Labour department schedules?

Mr. GORDON: I shall not undertake to cover the ground with respect to these unemployment relief camps, because it has been covered at length by the minister in charge of the department. This history of the necessity for the establishment of these camps is well known. It has been said that this is a twenty cents per day wage. Let those who still adhere to that euphonious way of describing these camps have whatever comfort, political or otherwise, they can get out of it; it does not make any difference to me. The reason for the establishment of these camps was the utter incapacity and alleged inability of the provinces to take care of men who were unable to take care of themselves. No one is forced into these camps, and only the transgressors are forced out of them. The men get food and are furnished splendid clothing; they are not overworked and they receive this gratuity. So far as I am aware these camps are better than similar camps which have been established south of the forty-ninth parallel. It was never intended that this twenty cents per day should be a wage. Wherever it has been necessary to erect buldings and employ artisans, the artisans employed are paid the current wages.

Let me point out that these camps do give sanctuary to these men. Men who have been totally and absolutely unable to take care of themselves have been given food and shelter. Every possible step has been taken by those in charge to keep in touch with industry in order that men may be returned to industry without a shaken morale and in good shape physically. The camps have provided a clearing house for almost 24,000 men who have been returned to industry after a more or less temporary sojourn rendered necessary by the stress of the times through which we are passing. Instead of taking sides

with those who are perhaps sullenly resentful —as the camps are cleared out we get down to the turbulent class—I think hon. members should recognize the burden which the taxpayer of Canada has assumed quite willingly. We should not forget the efforts which have been put forth by those charged with the administration of these camps and the success which has followed.

Item agreed to.

Industrial Disputes Investigation Act, $10,000.

Mr. HEAPS: When we are considering an amendment to the act for which this vote is requested, I asked certain questions in connection with the boards of conciliation which had been appointed during the last fiscal year. Possibly the minister has this information before him to-night.

Mr. GORDON: During the last fiscal year seventeen applications were received for boards, but the necessity arose for the appointment of only four. The other applications are taken care of by the conciliation officers of the department when the necessity appears.

Mr. HEAPS: Are there occasions when requests made for the setting up of boards are turned down?

Mr. GORDON: If it is apparent that the application does not fall within the provisions of the act, then it is refused; but if it appears that there is a dispute as at present interpreted by the act and that there is reason for complaint, great care is taken to see that there is no arbitrary action by the department; and rather than turn down an application for the setting up of a board of conciliation the matter is invariably referred to the conciliation officers of the department in order that their activities may be invoked with a view to having the difficulty ironed out.

Item agreed to.

Administration Old Age Pensions Act, $2,000.

Mr. MACKENZIE (Vancouver): The Prime Minister some time ago made some announcement with respect to amendments to the Old Age Pensions Act during the present session. Can the minister give information regarding any intended amendments?

Mr. GORDON: I am not in a position to make any pronouncement with respect to amendments to the act.

Mr. NEILL: I wish to ask the minister a question based on a news item appearing in the Vancouver Sun of May 29, which is the last issue of the paper to have reached us. I will read the whole article, which is only a short one:

B.C. government endorses pension reform.

Announcement that the Old Age Pensioners' Organization has been successful in obtaining endorsement of the provincial government for its proposed reforms in old age pension administration is made to-day by E. R. Vipond, of the organization's executive.

Premier T. D. Pattullo has written to Ottawa, he states, urging that the dominion give earnest consideration to the following suggestions of the pensioners' organization:

1. Persons over 70 should not be disqualified for old age pension owing to having broken their continuous residence in Canada.

2. The regulation refusing pension where, in the opinion of the board, children should support the parents, should be amended so that aged parents should not suffer hardship because of inability of their children to support them.

3. That the time is opportune to give consideration to reduction of the age limit at which persons may become eligible for old age pension. The great surplus of labour at this time makes it impossible for elderly people to secure work. Reduction to 60 or 65 would not only give security to this class, but would remove from an overloaded labour market men who have already made their contribution to the work of the country.

Has the minister received any representation of that kind? If so, is he disposed to give it favourable consideration, if any?

Mr. GORDON: No such communication from the Premier of British Columbia has been called to my attention so far as I can recollect, and I believe I would have recollected it had it come to the Labour department. I have had many representations from British Columbia dealing with a multitude of subjects that all present or are said to present problems. If such a communication does come to the Labour department it will of course be given the consideration to which it is entitled, which would naturally be serious consideration.

Mr. NEILL: I wish to add a few words. There are a number of grievances in connection with the administration of this act, and while some of them are at the door of the dominion government for having changed the regulations that were in force, others are due to the maladministration of the provincial government, or the malinterpretation of the regulations. Bad as they were, they have been made worse by the deliberate misinterpretation of them by the board in British Columbia which is administering the act. Let me give one illustration. The dominion government in their wisdom, and I am not

complaining about it, made a change in the regulation with respect to the valuation of land. Formerly it was held, indeed it is now held, that a person's income from land should be based on five per cent of the value of that land, and the regulation as originally drawn took the assessed value as the basis of valuation. The dominion government, with the consent of the provinces, and, I believe, actuated by some condition that arose in Ontario, changed it so that it would read that the valuation of the land would be either the assessed value or the market value, whichever was considered to be more equitable. That was done under the present Minister of Labour and I find no fault with it, but in British Columbia they have been continuing to take the assessed value, which in some instances was about five times the real value, with the result that some old person has been done out of a pension. Generally speaking, the assessed value of land in British Columbia, especially in the country, is grossly in excess of the market value. In the particular cases I took up with the authorities there I pointed out that the government had changed the regulation so that whichever value was found to be the more equitable should be used as the basis. I demanded that the valuation be made on the market value and the answer I received was no; they intended to adhere to the assessed value. In my opinion they did so entirely because it saved them trouble. They do not make any investigation into the real market value; all they do is to take the assessed value and they say it is their intention to abide by that. The result is that the particular persons I have in mind are deprived of a pension to this day in consequence of the ruling of the local administration board. And when I put it up to them that the regulation, having the force of law, distinctly made it optional whether the assessed value or the market value should be taken, according to which was the more equitable, they fell back on the ridiculous assertion that I was impugning the integrity of the assessors, because they were sworn to do justice. They declared that they were satisfied that the assessed value must be the correct market value, which of course is the purest nonsense, because it is well known to everyone in British Columbia, that the market value especially at the present time, is far below the assessed value.

That is only one illustration of the maladministration—I cannot use any other word—by which the regulations are twisted to do injustice and to deprive people of the pension to which they are entitled by law. The day does not seem to have been a happy one when they have not been able to refuse someone a pension or to deprive him of it for a period of time. The old regulations laid down the rule that when a man or woman was granted a pension it should date back to the date of the application if they were qualified. Now that has been changed and it dates only from the time the officials make up their minds that the pensioner is entitled. And they can drag it on for a year or two years and sometimes three years, and they think their time and energies have been well spent when some poor old person has been kept out of that which at last they reluctantly grant after making investigations and inquiries as to what some distant relation's residence is or what that person's income was during a certain year.

There is another matter of which the department is cognizant. I have discussed it before but I take this opportunity to bring it up again. There is a beautiful theory in the British Columbia board that children can and ought to support their parents, regardless of the estate, means or ability of the children to do so. I have in my files case after case where I have been told in British Columbia, "We will not grant a pension to the person for whom you intercede until that person sues the children." One case was that of a man, and they said: He has a son who is a single man and he can and should be able to support his parents; you have the father sue the son before we will do anything. I went and interviewed the parties. The father was an old man and was getting $5 a month relief, working it out on the roads. The son was living in a shack about six feet square and he was also on relief, getting $5 a month and working it out on the roads; that was all he had to live on. That was the son the father was supposed to sue so as to get an order of the court stating that the son could or could not help the old man, before any justice would be done to the father. That is the sort of way in which the regulation is enforced, taking advantage, I think wrongly, of the change made by the minister in the regulations by which certain language is used which states that in deciding what a man's income is, they shall take into consideration any income that he may be likely or expected to receive, or words to that effect. These officials out in British Columbia have twisted that to mean any possible sum he may or may not receive. For instance, they say that the father is entitled to "expect" that his child shall support him, because in British Columbia there is a parents' maintenance act

which states that there is an obligation on children to support their parents. The way they twist the language, perhaps innocently inserted by the minister, is this: that as long as the father is entitled to "expect" his son to assist him, the son shall do it. When a child who is on relief cannot do it, they say: That makes no difference; the parent is entitled to "expect" that he will do it, and that relieves the board of any obligation. They say to a woman eighty years of age: Go and sue your daughter, your son. Supposing it is a son, you have the daughter-in-law saying: You are trying to take the bread out of my children's mouths when we are desperately hard up and ourselves on relief. Yet these officials say: Go and sue your children before we will give you any recognition of your rights under the Old Age Pensions Act. These are the sorts of injustices that are going on and in regard to which the minister might well have an investigation. I hope what I have just read out is true, namely, that the Premier of British Columbia has taken steps to make a request of that kind. I trust this will lead to an amelioration of those grievances, not only those mentioned in the newspaper, but also those I have cited and several others that I would be very happy to give the particulars of and absolutely prove.

Mr. HEAPS: I notice in the speech from the throne submitted to the house on January 17 last the following:

> Better provision will be made for the security of the worker during unemployment, in sickness, and in old age.

I would like to ask the Minister of Labour if there is likely to come before the house this session any legislation which will in some way implement the pledge made in the speech from the throne on January 17 last.

Mr. GORDON: I assume the hon. member has read the legislation that has already been brought before parliament and is in course of being passed. There is not likely to be any further legislation directed toward the subject matter to which reference has been made.

Mr. HEAPS: Can the minister then give to the committee this information: How many people in Canada are to-day in receipt of old age pensions?

Mr. GORDON: The Labour Gazette, which of course has been distributed to the members, discloses a total of 86,873 persons in receipt of old age pensions at the close of the fiscal year 1933-34.

Mr. HEAPS: If it is not too much trouble, could the minister give us the figures by provinces?

Mr. GORDON: This again is all revealed in the Labour Gazette which each hon. member has in his office or room:

Province:	Number of persons
Alberta	6,286
British Columbia	8,095
Manitoba	9,236
Nova Scotia	6,509
Ontario	46,281
Prince Edward Island	1,258
Saskatchewan	9,203
Northwest Territories	5
	86,873

Mr. MacINNIS: Could the minister give the total amount paid in old age pensions and the amount paid by provinces?

Mr. GORDON: I regret I have not the amounts divided among the provinces, but during the fiscal year 1933-34 the total expenditure in Canada for old age pensions was $16,566,116.74, in respect of which amount the dominion government's contributions to the provinces aggregated $12,313,594.93.

Mr. MITCHELL: Have there been any negotiations with Quebec and those other provinces in which at the moment pensions do not exist, with the possible end in view of bringing the people of those provinces under this legislation?

Mr. GORDON: The dominion government has passed the legislation. The legislation itself is an open invitation to a province to subscribe to the plan and enact the required legislation if in its judgment this is a wise, just and proper thing to do. So far as I am aware, the dominion government has not urged any province to take advantage of the legislation, nor has it discouraged it.

Mr. MITCHELL: I would like that point made clearer. The minister says that the government has never urged the idea or retarded it. Would this be a fair thing to say, that any province is welcome to take advantage of the legislation, and that the dominion government would not stand in the way?

Mr. GORDON: Quite so.

Item agreed to.

DEPARTMENT OF MARINE

Salaries, $258,570; contingencies, $46,800.

Mr. CASGRAIN: I should like to ask the minister if he has any statement to make to the committee with regard to the appointment

of a deputy minister of marine, which position has been vacant for almost three years. I have asked this question repeatedly; I hope the minister will not be offended at my asking it again, but I think not only the members of this committee but the people at large look forward to the appointment of a deputy minister in the very near future. We do not know who it will be but we hear prominent names mentioned. It is true that the department has been well run under my hon. friend the minister, although we have offered criticism at times. The minister himself admitted not long ago that his department suffered because he had not engineers and had to call upon engineers outside the department for assistance, which cost a good deal of money. Perhaps that could have been avoided if a competent deputy minister had been appointed, although the assistant deputy is a very competent gentleman. On the other hand if the minister has discovered that he can run the department as it has been operated for the last three years, without the services of a deputy minister, while maintaining the efficiency of the service, I do not think we should be called upon to vote the salary of a deputy minister.

Hon. ALFRED DURANLEAU (Minister of Marine): I am not at all offended at the remarks of my hon. friend with regard to the appointment of a deputy minister, but I do not think the fact that no such appointment has been made has increased the engineering cost in the department. If I look up the public accounts from 1925 to 1930 I find that during that period outside engineers employed by the Department of Marine cost the government more than twice as much as they have cost since 1930, so I do not think the appointment of a deputy minister could have anything to do with that.

I have no other answer to give my hon. friend that I have not made already. This appointment is a prerogative of the Prime Minister, not of the Minister of Marine, and I suggest to my hon. friend that he should direct his question to the Prime Minister. I am anxious also that a deputy minister should be appointed. I have had to do a part of the work that would be done by such an appointee; I have done it as well as I could and we have saved as much money as possible in the operation of the department. Without definite knowledge I think I can say to my hon. friend that he may expect the appointment to be made very soon.

Mr. CASGRAIN: I am all sympathy for the Minister of Marine because he has had to do all that work himself, without the aid of a deputy minister. I sincerely hope that before long, say within the next few weeks, we may hear the good news that a new deputy minister has been appointed.

Mr. NEILL: I see provision made for a secretary to the wreck commissioner, at $3,120, but there does not seem to be any provision for the wreck commissioner. Who is the secretary? Is he a technical man? Does he perform the duties of wreck commissioner or what has become of the wreck commissioner?

Mr. DURANLEAU: The position of wreck commissioner was declared vacant under an order in council adopted some time ago which provided that positions which had not been filled by a certain date should become vacant. Up to the present, since the retirement of Mr. Demers, who was the wreck commissioner, we have appointed outside commissioners, and I may tell my hon. friend that we have saved a good deal of money since the adoption of this policy.

Mr. NEILL: Do I understand that you pick up a naval man in the locality where the accident requires investigation?

Mr. DURANLEAU: Yes, that is what we have been doing, with some success and less expense.

Mr. NEILL: Then to whom does the secretary act as secretary?

Mr. DURANLEAU: We have in the department a man who acted as secretary to the wreck commissioner. That man is still in the employ of the department; he acts as registrar for the commissioner appointed in each case.

Mr. MacINNIS: There is still a wreck commissioner's office, is there not, although there is no wreck commissioner?

Mr. DURANLEAU: I cannot say there is a wreck commissioner's office but in the department there is an employee who acted as secretary to the wreck commissioner and who now acts as registrar for the commissioners appointed.

Mr. NEILL: Does the minister think he will get as good and efficient service by picking up a man, no doubt recommended by politicians, when the occasion arises here and there, as he would by having a permanent appointee at Ottawa who would have some continuity of policy, at any rate, and who possibly would be more independent than a local man who might have prejudices or influences brought to bear upon him? The minister says this policy is cheaper, but is it more efficient?

Mr. DURANLEAU: As I have said, up to the present we have been very successful; in two or three instances we have appointed judges. I think a few months ago we appointed an outstanding judge in marine matters in Nova Scotia or New Brunswick, who made a very extensive and useful report. I can tell my hon. friend that it is the opinion of my officials that this policy is better and cheaper, because we have not had very many inquiries to make. I do not think we have held more than five or six inquiries since the wreck commissioner retired two or three years ago, and I think we are saving money.

Mr. NEILL: I think it was before the minister's time, but the department at one time kept a subcommissioner or deputy at Vancouver, and I often protested against that expense; I am glad to see that has been done away with. In the west, and I assume also on the Atlantic, there is a judge who devotes himself to admiralty cases; he is known as an admiralty judge. Would a judge of that character be employed in British Columbia, for instance? If I remember correctly it is Mr. Justice McPhillips in that province.

Mr. DURANLEAU: As a rule we pick out the best man in the locality. If he is a judge he does not cost very much because, as my hon. friend knows, some judges have no right to make any charge except for their expenses. For instance, when superior court judges are appointed commissioners they receive no fees.

Mr. NEILL: If the minister is appointing men of the calibre of judges I have no complaint at all, because we know their standing and their impartiality. But my point was this: I know how he made the appointment in my district in connection with a port warden and I was wondering if it was along the same lines.

Mr. DURANLEAU: Oh, no.

Mr. NEILL: I am glad to hear it.

Mr. DURANLEAU: We have to make inquiries. In connection with wrecks it is very important to have a judge or a man conversant with marine law so that we may obtain the whole facts.

Mr. CASGRAIN: I cannot agree with the stand taken by the Minister of Marine as a result of which no permanent wreck commissioner has been appointed, because I believe that by appointing wreck commissioners for given cases we are not giving justice to the parties concerned. The men appointed are selected at random in British Columbia, Nova Scotia, Quebec or in the city of Montreal, as the case may be, as the hon. member who has just taken his seat has said. It may be that those appointments are made upon the recommendation of persons friendly to the administration. On the other hand when we had a permanent official such as Captain Demers we had a man who had held office a number of years, one who had wide knowledge and experience and who based his opinions upon precedents and judgments which had been rendered in similar cases. When we went before that commission a certain degree of jurisprudence existed. I would point out further that where investigations were considered necessary such investigations were held, very often at the instance of the wreck commissioner, who, following the practice indicated by law, called for an examination. I do not know whether the law has been changed, but I am of the opinion that the marine legislation enacted last year provided for the services and appointment of a wreck commissioner. I know such provision did appear in the old act. I can recall instances where in my own constituency vessels had gone to the bottom of the river; in those cases the pilots and all concerned appeared before the wreck commissioner and had to stand an investigation. In those days the law was in force and maintained. To-day the government does not follow the law. It does not order an examination or investigation in the event of a wreck or a collision. That action is taken only at the discretion of the minister who may order an investigation when he believes one necessary. Formerly, when there was even the slightest damage, even in the event of a vessel being scraped, an investigation was held. Captain Demers told me on one occasion upon which I was objecting to an investigation that when a vessel strikes anything even slightly, an accident has occurred, according to statute, the law must be enforced and the commissioner must act. I have known in recent years of damage being done and have made application to the minister, but investigations have not been made, although the law still exists. The practice adopted by the department is not giving satisfaction to the public, and I would urge upon the government a reconsideration of its decision. Surely it can find at some point between the Atlantic and the Pacific a man qualified through ability and experience in marine matters to fill the position formerly occupied by Captain Demers.

Mr. REID: Is it the intention of the government to put into effect the Canada Shipping Act which was rushed through at the last session? I have particular reference to the use of tackle inspectors.

Mr. DURANLEAU: There are certain parts of the act which are international and other parts which deal with coasting trade. By the adoption of our shipping legislation we have taken the lead and at the present time the other dominions have our act under study and are preparing their own legislation. So far as the international parts of the act are concerned, we have to await the adoption of similar laws in other parts of the empire. As to those parts dealing with coastal trade we hope to have them in force very soon. The matter is now under consideration.

Mr. REID: Does that apply to tackle inspection?

Mr. DURANLEAU: Yes.

Mr. BROWN: Two years ago the government was anxious to pass a bill respecting lake shipping. If the matter was so important two years ago it would seem strange that up to the present time the act has not become effective.

Mr. CASGRAIN: Just like the 1930 promises.

Mr. DURANLEAU: That part affecting our own shipping will be in force very soon.

Mr. HANSON (Skeena): I should like to ask the minister a question regarding an application sent in from the shipping interests of British Columbia respecting navigation lights at Whey Point. Last year I mentioned the matter to the minister, and this year I have the minister's letter indicating that the light will be installed this summer. The fishing fleets are now operating at the north end of Queen Charlotte islands, and we are wondering when we may expect the lighthouse to be erected. The minister has given his word that the navigation lights will be installed. When may we expect the work to be done?

Mr. DURANLEAU: I cannot say offhand when the hon. member may expect the light to be installed. I assume the work will be done very soon. I shall be pleased to take note of the hon. member's remarks and shall report to him when he may expect the installation.

Mr. HANSON (Skeena): I have already received a letter indicating the intention of the government to do the work in the present season. The shipping interests out there would like to know when they may expect it and for that reason I should like the minister to look into the matter.

[Mr Reid.]

Mr. CASGRAIN: Has any part of the Canada Shipping Act passed last year been put into effect by order in council?

Mr. DURANLEAU: Not yet.

Mr. CASGRAIN: There is a provision in the act under which the government may by order in council put certain parts into effect. I was wondering if the minister had been approached by interests from Montreal and Quebec asking to have certain parts of the act enforced.

Mr. DURANLEAU: I believe the act states that any part of it may become effective after publication in the official gazette, and I believe requests to that effect have been received from pilots.

Mr. CASGRAIN: No parts of the act have been put into force?

Mr. DURANLEAU: Not up to this date, but the matter is under consideration.

Mr. WOODSWORTH: Surely the inspection of tackle and other like matters is not international and action in connection with them should not be held over until other nations may make decisions. Six or eight years ago I brought to the attention of the house conditions which existed in western ports. The municipalities apparently had no control over the inspection and we could not get any control because of this act which has been promised for so many years. I would ask the minister why that kind of thing should be held for international action.

Mr. DURANLEAU: I have already told the committee that the legislation of other dominions does not affect such parts of the act as concern only our coasting trade, such as the inspection of tackle. It is simply a question of deciding which parts of the act should be put into force.

Mr. WOODSWORTH: Why cannot that be put into force at once?

Mr. DURANLEAU: As a matter of fact the question has been submitted to the Department of Justice as to which parts are not international in character and could be put into force now, and as soon as I have a report I intend to give effect to it and bring the facts before the house.

Mr. NEILL: You could bring certain portions of the act into force by order in council, could you not?

Mr. DURANLEAU: By order in council and by publication in the official gazette.

Mr. NEILL: It would not be necessary to bring them before the house.

Mr. DURANLEAU: But I would inform the house.

Item agreed to.

Progress reported.

BUSINESS OF THE HOUSE

Mr. GUTHRIE: Mr. Speaker, I would ask the consent of the house to return to government notices of motions in order to give formal notice in respect of the resolutions which appear on the order paper at page 23, which are in the name of the Prime Minister. The only object is to expedite them.

Mr. SPEAKER: By unanimous consent.

The house having reverted to government notices of motions:

DOMINION HOUSING COMMISSION

Hon. HUGH GUTHRIE (Minister of Justice) moved that the house go into committee to-morrow to consider the following proposed resolution:

That it is expedient to bring in a measure to establish a dominion housing commission and to assist in the construction of houses, and to provide for the salaries of the commissioners and staff, and for the payment of expenditures, and for advances for the purposes of the proposed legislation.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house

Motion agreed to.

TRADE AND INDUSTRY COMMISSION

Hon. HUGH GUTHRIE (Minister of Justice) moved that the house go into committee to-morrow to consider the following proposed resolution:

That it is expedient to bring in a measure to establish a dominion trade and industry commission, and to provide that the tariff board shall act as the commissioners with prescribed powers and duties, and that a director of prosecutions be appointed to carry on such legal proceedings as may be required under the provisions of the act.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the house.

Motion agreed to.

On motion of Mr. Guthrie the house adjourned at 10.58 p.m.

END OF VOLUME III.